THE Freeman

IDEAS ON LIBERTY

DECEMBER 1965

Christian Economics: Myth or Reality? . . B. A. Rogge 3

"Farm Prices Are Made in Washington" . Don Paarlberg 16

The Flight from Reality:
15. Remaking the Minds of Men . . . Clarence B. Carson 19

The Effort of Every Man . . . . . Henry Hazlitt 35

"As a Man Thinks . . . ." . . . . . V. Orval Watts 37

Selective Justice . . . . . Sudha R. Shenoy 47

Germans Vote for Economic Freedom . . William Henry Chamberlin 49

Books:

The Bogey of Automation . . . . . John Chamberlain 56

Index for 1965 . . . . . 60

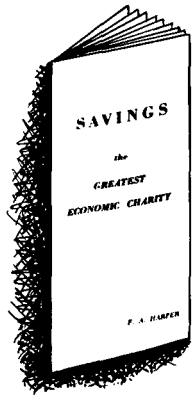
THE FOUNDATION
FOR ECONOMIC EDUCATION, INC.
Irvington-on-Hudson, New York 10533

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

*Send for this*

# UNIQUE *FREE* BOOKLET

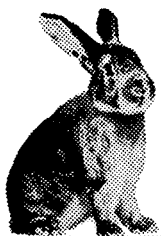
## "SAVINGS: The Greatest Economic Charity"




When we think of charity, we usually think of helping someone and receiving only the satisfaction of having helped someone in need. Yet this is only one form of charity.

There's another. You can read all about this interesting concept in an unusual new booklet by the well-known economist F. A. Harper, entitled "Savings, The Greatest Economic Charity." For your free copy, without obligation, come in or mail the coupon below.

**"If It's Safety You Want Most—First Compare Then Save At Coast"**



*Planned rate for 2nd half 1965 is* **4.85%** *per year, compounded DAILY, paid semi-annually. Savings held 1 year at this rate earn* **4.97%**.

**MAIN OFFICE:**
**9th & Hill, Los Angeles, Calif. 90014 • Tel.: 623-1351**

# COAST FEDERAL SAVINGS
AND LOAN ASSOCIATION

TO: Coast Federal Savings and Loan Association, Dept. F, 9th & Hill, L.A., Calif. 90

☐ Please send me a free copy of "Savings, The Greatest Economic Charity."

☐ I would like to open a savings account. Enclosed is my check (or money order) for $_____.

☐ Individual Account

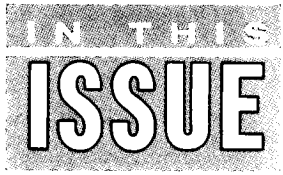
☐ Joint Account

Name(s)_____
(please print)

Address_____

City_____ State_____

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED




Dr. Rogge outlines some of the problems confronting any Christian who presumes to function ecomonically in other than a free market fashion. .....p. 3

An agricultural economist explains the fallacy in the notion that "farm prices are made in Washington." .....p. 16

The various educational techniques employed by reformers to remake the minds of men are examined in this chapter of Dr. Carson's series on **The Flight from Reality.** ..... p. 19

Henry Hazlitt recalls and explains Macaulay's observation that the self-serving efforts of free men can find ways around a lot of interventions. ..... p. 35

Dr. Orval Watts outlines the philosophical premises upon which he would base his teaching of economics to students preparing for careers in business. .....p. 37

Today's "social justice," this thoughtful young student from India reminds us, is all too often a cloak for tyrannical discrimination. .....p. 47

William Henry Chamberlin interprets the results of the recent German election to be a great victory for a man of principle, and for the principles of liberty he espouses. ..... p. 49

George Terborgh's study of the significance of **automation** is the subject of John Chamberlain's review this month. .....p. 56

And for your convenience in spotting your favorite articles and authors of the past year, you'll find the annual index. .....p. 60

Anyone wishing to communicate with authors may send first-class mail in care of THE FREEMAN for forwarding.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

THE Freeman

DECEMBER 1965 Vol. 15, No. 12

LEONARD E. READ *President,* Foundation for Economic Education

PAUL L. POIROT *Managing Editor*

**THE FREEMAN** is published monthly by the Foundation for Economic Education, Inc., a nonpolitical, nonprofit educational champion of private property, the free market, the profit and loss system, and limited government, founded in 1946, with offices at Irvington-on-Hudson, New York. Any interested person may receive its publications for the asking. The costs of Foundation projects and services, including THE FREEMAN, are met through voluntary donations. Total expenses average $12.00 a year per person on the mailing list. Donations are invited in any amount – $5.00 to $10,000 – as the means of maintaining and extending the Foundation's work.

Copyright, 1965, The Foundation for Economic Education, Inc. Printed in U.S.A.

Additional copies, postpaid, to one address: Single copy, 50 cents; 3 for $1.00; 25 or more, 20 cents each.

Permission is hereby granted to anyone to reprint any article in whole or in part, providing customary credit is given, except "Christian Economics: Myth or Reality?," " 'Farm Prices Are Made in Washington,' " "The Flight from Reality," "The Effort of Every Man," and " ' As a Man Thinks. . . .' "

Any current article will be supplied in reprint form if there are enough inquiries to justify the cost of the printing.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

# CHRISTIAN ECONOMICS

## Myth or Reality? ..... B. A. ROGGE

I WISH to begin my discussion with some questions. What can we find in the Bible on the ethical rightness of the statement that two plus two equals four? What do the Papal Encyclicals tell us of the justice of Boyle's Law, that the volume of an ideal gas varies inversely with its pressure, other things being equal? Does Christian doctrine tell us that it is fair for a hydrogen atom to contain three isotopes while a fluorine atom contains but two? Or, to approach my own topic, is it Christian or un-Christian for a demand curve to be negatively inclined from left to right?

### *Economics as a Pure Science*

Let me now put the general case: What does Christianity have to do with the questions of any pure science? So that there can be no suspense, I shall give the answer immediately. The answer is, "Nothing, absolutely nothing." There can no more be a Christian science of economics than there can be a Christian science of mathematics. It was a Hindu who first introduced zero into the set of real numbers and a Greek pagan who first analyzed the process of exchange in the market place. A microscope and a telescope seem to be quite indifferent to the religion of those who peer through them. The law of diminishing returns has no more relationship to the flight from Egypt than it does to the flight from Mecca to Medina.

Am I belaboring my point unnecessarily? Perhaps not. The proponents of all of the world's great religions, including Christianity, have often yielded to the tempta-

Dr. Rogge, Professor of Political Economy at Wabash College, presented this paper at a Seminar on Economics and Ethics at Valparaiso University, February 19, 1965, sponsored by The Lutheran Academy for Scholarship and printed here with their permission.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

tion of dictating answers to particular questions of pure science – and have always been made to appear foolish in the process. Is the earth round or flat? Is the earth the center of the universe or isn't it? Was the world created at 9:00 A.M. on the morning of October 23rd, 4,004 B.C.? And, as Clarence Darrow asked, was that Central Standard Time or Mountain Standard Time? And as the quasi-religionists of modern communism ask, cannot acquired characteristics be inherited? I would be belaboring my point if it were not for the likelihood that many a scientist may yet be forced to kneel in the snow outside the temple and beg forgiveness for the impertinence of his findings.

If economics were *only* a pure science, we could now consider my presentation at an end and say, if all were to agree with me, that Christian economics is indeed a myth and a most unnecessary one at that. But economics is both something less and something more than a pure science, and therein lies the rub.

### *Economics as Something Less Than a Pure Science*

Let me begin with the implications of the fact that economics is something less than a pure science – but first let me define what I mean by a pure science. A pure science is one that is concerned with *what is* and not with what *should be*. I shall refer to economics as a pure science as *positive* economics and to economics as a set of do's and don'ts as *normative* economics.

Now economics is something less than a pure science only in a special sense. Its goal of finding out "what is" is no different from that of physics or astronomy, and economists often use search methods quite like those used by the natural scientists. What makes economics something less than a pure science is its present lack of success in developing a body of laws or generalizations accepted as correct by all or almost all serious students of the subject. The state of economics today is not unlike the state of physics at the time of Galileo's recantation.

Even at the level of what is, economists are so far short of agreement on so many fundamental questions that the well-intentioned layman can almost always find some economist who will provide him with scientific evidence of the correctness of what he *wants* to believe to be true.

Let me illustrate: The question of whether a minimum wage set by government does or does not increase the total wage payments going to a given group of workers is a question in positive econom-

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

ics. Yet in appearances before ministers, I have been accused of being un-Christian because *my* findings are that the long-run effect of a minimum wage is to *reduce* the total income of the workers involved.

Nor can I really be angry at this. The ministers involved want very much to believe that the problem of poverty can be solved in part by simply passing a law increasing hourly wage rates – and they can find economists of more repute than Ben Rogge who will tell them that this can, in fact, be done. When the scientists disagree, the layman is going to choose that scientist who tells him what he wants to hear. As a cigarette smoker who chooses to believe the findings of those who argue that there is no clear connection between cigarette smoking and lung cancer, I can't really throw stones at the layman who prefers someone else's findings in economics to my own.

What does the fact that economics is still itself an underdeveloped area mean to the Christian? If it is the economist who himself is also a Christian, it seems to me to require of him an open mind, integrity in dealing with his own findings and the findings of others, and a refusal to let his wishes be father to his facts.

When the great English historian, Herbert Butterfield, visited the Wabash campus a few years ago, he was asked if there was such a thing as Christian history. He replied that there wasn't, but that there was history *as written by a Christian* and that the man's Christianity would demand of him that he display the attitudes I have just described.

But what does the incomplete and confused state of economic science mean to the Christian who is not a professional economist but who wishes to use economic knowledge in making his own decisions? It seems to me that it requires of him the same openness of mind, the same refusal to let his wishes be father to his facts that it requires of the economist. He ought to be anxious to expose himself to various sources of economic information and to learn from them all that he can. Economic science may be in a primitive state, but this is only relative to some of the more mature sciences and it still has much to teach the typical nonprofessional.

I will say flatly that the typical American who calls himself a Christian and who makes pronouncements or joins in making pronouncements on economic policies or institutions, does so out of an almost complete ignorance of the simplest and most widely

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

accepted tools of economic analysis. If something arouses his Christian concern, he asks not whether it is water or gasoline he is tossing on the economic fire – he asks only whether it is a well-intended act. As I understand it, the Christian is required to be something more than well-meaning; he is required to use his God-given reason as well. Inadequate as economic science may now be, it can save the layman from at least the grossest errors and can be ignored only at real peril to the society at large.

Let me summarize my thesis up to this point: I have argued that the word, Christian, is totally out of place as a modifier to any of the pure sciences. Generically, economics is one of the pure sciences and hence this constraint must apply to the concept of Christian economics. The main thrust of this constraint is undisturbed by the fact that economics is still in a primitive state of development. However, this fact requires of the Christian, whether a professional economist or no, a certain caution, a certain openness to various possibilities not required (at least to the same degree) in dealing with the laws of the more precise and more mature sciences. But this fact does not excuse anyone, be he Christian or no, from the necessity of learning what he can about economics before making decisions on economic policy.

### *Economics as Something More Than a Pure Science*

This brings me to the second part of my discussion, to the implications of the fact that economics is something *more* than a pure science. There is a *positive* economics but there is also a *normative* economics – an economics that is concerned with questions of valuation, of right and wrong action or inaction. I have denied that there can be a Christian positive economics; let me now ask if there can be a Christian normative economics.

Normative economics is positive economics plus a value system. Christianity is a religion, and a religion need not involve a set of values – but, of course, Christianity does. It follows that the value system in the normative economics of a Christian should be the Christian value system. *In this sense, then, Christian economics can be very much of a reality.* It will be marked, not by its choice of materials from positive economics, but by its choice of fundamental assumptions about the nature of man, his purposes here on earth, and the obligations for right action imposed upon him by his Creator. I assume that these

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

fundamental assumptions would be drawn from what the Christian believes to be the revealed word of God, that is, from the Bible and from such interpretations of the Bible as the particular Christian accepts as authoritative.

So far, so good; but as an economist embarrassed by the relative chaos in his own field, I cannot resist pointing out that there seems to be more than one value system labeled "Christian." Perhaps I should rephrase my earlier affirmation and say that not only can there be a Christian economics, there can be *any number* of Christian economics. However, I don't wish to disturb the state of happy (though perhaps superficial) ecumenism in which we seem to be basking at this time in America, and so I shall concentrate on what seem to me to be the least controversial, the most widely agreed-upon precepts of Christianity.

What I want to do now is to list a number of these precepts and then keep them in mind as I examine just one specific question in normative economics. If there is, indeed, a Christian normative economics (as I am arguing there is), we should be able to use it, should we not? My real purpose in doing this is not to provide you with an answer to this one question but to reveal some of the dilemmas the Christian encounters in applying Christian values to problems of economic policy.

In listing these precepts, I make no claim for completeness or absolutely universal acceptance by all Christians. I list them as the ones that seem to me and (to the best of my knowledge) to others as the ones most relevant to social problems.

### *Some Basic Assumptions*

I begin with the assumption that *man is imperfect*, now and forever – that he is, indeed, somewhat lower than the angels. It follows that all of his constructs must be imperfect; William Blake and the Anglican hymnal to the contrary, Jerusalem is never to be built in England's green and pleasant land.

Next I place on the list the Christian view of *man as a responsible being*. In the words of John Bennett of Union Theological Seminary,

> Man never ceases to be a responsible being and no mere victim of circumstance or of the consequences of the sins of his fathers. Man has the amazing capacity through memory and thought and imagination to transcend himself and his own time and place, to criticize himself and his environment on the basis of ideals and purposes that are present to his mind, and he can aspire in the grimmest situations to realize these ideals

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

and purposes in his personal life and in society. It is this capacity for self-transcendence that Reinhold Niebuhr, following Augustine, regards as the chief mark of the image of God in man that is never lost. (John Bennett, *Christianity and Communism Today*, 1960, p. 118)

My third of the Christian assumptions is that of the significance of man's *freedom to choose.* In its most elemental form, this signifies Christ's insistence that he wanted, as followers of his way, only those who had freely chosen him and his way. I remind you of one of the most dramatic scenes in literature, the challenging of Christ by the Grand Inquisitor in *The Brothers Karamazov.* I shall argue in a moment that this Christian sense of freedom is a most annoying restraint on social action and, hence, is the one precept most commonly ignored in Christian communities.

Next and very importantly is the assumption of *the brotherhood of man,* with its clear implication of the necessity of assisting those in need. The crucial importance of this assumption in the drafting of Christian economic policy can hardly be overemphasized.

I now add one of the explicit guidelines (and another very annoying restraint on social action), *Thou shalt not steal.*

I close the list with the Christian's sense of the forgiving love of God and of the ultimate hope that comes with the knowledge that this is God's world. John Bennet, in discussing this sense in conjunction with a discussion of man's sin, puts it this way:

> Christian teaching about human nature perhaps reveals most clearly the corrective elements in Christianity. It corrects all tendencies toward sentimental optimism or utopianism that fail to prepare men to face the stubborn reality of evil in human history, and it corrects all tendencies to disillusionment or cynicism that are the opposite danger. Men who lack the perspective of Christian teaching are in danger of oscillating between utopianism and disillusionment.
>
> The first thing that Christians say about human nature is that man – and this means every man – is made in the image of God and that this image is the basis of man's dignity and promise.
>
> The second thing that Christians say about human nature is that man – and this means every man and not merely those who are opponents or enemies – is a sinner. (Bennett, *op. cit.*, pp. 116-7)

### *Christian Economics: A Case Study*

My choice of precepts to include may have already cost me your good will, but now that we have the list, good, bad, or indifferent, let us see if we can put it to work.

Here is our problem: A family

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

in (say) Valparaiso, Indiana, lives in serious poverty, with not always enough money for food, clothing for the children, medicine or doctor's services, or for rent on their small, ramshackle house. What does Christian economics tell us to do about this? What kind of a war on poverty does it ask us to wage?

Let us turn first to the kind of answer usually given by the American society generally today (and also the kind of answer generally endorsed by the social action groups of the large denominational organizations and of the National Council of Churches).

First, we should pass a law called a minimum wage law to force this man's employer to pay him a living wage. Or we should encourage the development of a union in this man's work group so that he could expect to receive a fair and decent wage. Next, we ought to pass laws that will force such men to save for emergencies, for example, unemployment, which may be the man's real problem at the moment. If he is unemployed, the government should offer him subsidized retraining, so that he can find suitable employment. If he is in real need, as our particular man is at the moment, some combination of local, state, and national relief payments should be made to him.

This is what most Christians in America today deem appropriate, with perhaps the addition of a box of groceries collected by one of the churches to be delivered to the family each Thanksgiving and Christmas.

Does any of this lack good intent? I think not; on the surface, at least, it seems to meet the requirement imposed by the brotherhood of man.

### *Minimum Wages*

Now let's go through it again to see if we've missed anything. We begin with the idea of a legislated increase in his wage rate. Perhaps it would be wise if we first asked what the consequences of this might be. For example, could it lead to this man's losing his job altogether, either immediately or as the employer is forced by the higher costs of labor to mechanize the operation, if he is to stay in business at all? Well, says the economist, that will depend in part on whether the labor market was competitive to begin with, whether the man was already getting all that he was really worth. It will depend on whether this law "jars" the employer into becoming more efficient. In other words, it will depend on a number of factors of the kind analyzed in positive economics.

My own personal knowledge

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

both of theory and of evidence would lead me to argue that the very probable consequence of a legislated increase in wage rates will be some loss of employment opportunities, and our particular worker could well be one of those to lose his job. I might add that his chances of being thrown out of work are increased if he is a member of a minority racial group.

I may be wrong on this but I know of no competent economist who would deny the possibility that a legislated minimum wage will produce some unemployment. If this possibility exists, a Christian might well wish to examine the findings of positive economics before supporting a proposal of this kind. In supporting the idea of minimum wage laws, the Christian may well be causing problems for precisely those people he wishes to help, and be giving aid and comfort to a more fortunate worker-employer group which benefits by being freed of the competition of lower-wage firms. I repeat, good Christian intentions are not enough!

### *Trade Unions*

Similar questions might well be raised about the second line of attack on our special problem of poverty – that of encouraging the development of a trade union to protect this worker. A union-induced increase in wage rates in the plant or store where this man works could lead to his losing his job altogether, just as in the other case. If he is a member of a minority race, the chances of this will be even higher under the trade union approach, because of the long-established discriminatory practices of many of the important unions. For example, in 1962, there were only three Negro apprentices in the union-dominated electrical trades in all of New York City and only one Negro apprentice plumber.

Here again the Ben Rogge version of positive economics could be wrong, but again the important questions are those of positive economics and not of good intent.

At least one additional question might be raised. In granting special privileges, immunities, and encouragement to trade unions, we would be sanctioning an activity that when undertaken by businessmen can lead to their being put in jail. As an economic institution (and a trade union is more than an economic institution), a union is a cartel; that is, it is a collusive arrangement among otherwise independent sellers of the services of labor, for the purpose of manipulating market prices to their own advantage. It is precisely the same in operation as the activities of the sales executives of the large elec-

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

trical manufacturing companies that led to their being sent to prison a year or two ago. In encouraging workers (and farmers) to do that which we forbid businessmen, we seem to be violating a rather old concept of justice – that of equality before the law. In a very real sense we have encouraged the blindfolded Goddess of Justice to peek, and she now says with the jurists of the ancient regimes, "First tell me who you are and then I'll tell you what your rights are." To encourage trade unionism may be wise or unwise economic policy but surely the Christian cannot escape some concern for a policy that deliberately creates a double standard of right and wrong.

### *Social Security*

We turn now to the third of the responses to our problem, that of social security. Let us force such people to contribute to a program to tide them over such emergencies. This may be wise or unwise economic policy but at least it will assure some minimal flow of income to the family for some period of time. In other words, it does work.

Some Christians might be disturbed to know that as the system now works in this country, low-income Negroes are being taxed to support high-income whites. How does this come about? A low-income but fully employed Negro will pay into the fund almost as much money as will the high-income white. But the average life span of the Negro beyond age 65 is significantly less than that of the white, and the Negro can thus expect to draw less in total benefits. I present this odd circumstance, not as a criticism of social security *per se*, because the law could be changed to eliminate this feature, but as further evidence of the need for the well-intentioned person to examine policy proposals, not only in the large, but in detail as well.

But clearly, within certain limits, social security does work; it does provide much needed help to many in real need.

Surely the Christian can find no dilemma here. *No?* What, then, of the Mennonites and the Amish who have fiercely resisted any participation in this program? Of course, these are patently queer people, who wear funny-looking clothes and have other peculiar ideas, but they *do* call themselves Christians; in fact, they say that it is *because* they are Christians that they must refuse to involve themselves in social security.

How could this possibly be? Let us go back to our precepts of the religion and see what we can find. Suppose we interpret the brotherhood of man, individual responsibility, and freedom to choose as

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

meaning that each man should be free to choose, even in economic life; that if he chooses wrongly he is responsible and should seek himself to solve the problems he has created for himself; and that, if this proves impossible, it then becomes the responsibility of his fellow Christians, as a voluntary act of brotherhood, to come to his assistance. Surely, this line of reasoning cannot be immediately labeled as un-Christian – even if it would confront us with the embarrassing challenge of doing something individually, directly and out of our own pockets for this family in Valparaiso, Indiana, of which we have personal knowledge.

Take "freedom to choose." Does this apply only in questions of pure religion or does it constitute a general Christian presumption in favor of freedom of the individual? If the latter, then the Christian faces a dilemma. Social security tells a man that he must pay into the fund, how much he must pay at a minimum, and in what form the fund will be held. Whether on balance this is good or bad, it is clearly a denial of freedom. In the words of the English philosopher, Isaiah Berlin, in discussing this general type of dilemma:

> But a sacrifice is not an increase in what is being sacrificed, namely freedom, however great the moral need or the compensation for it. Everything is what it is: liberty is liberty, not equality or fairness or justice or human happiness or a quiet conscience. . . . This (loss) may be compensated for by a gain in justice or in happiness or in peace, but the loss remains, and it is nothing but a confusion of values to say that although my 'liberal,' individual freedom may go by the board, some other kind of freedom – 'social' or 'economic' – is increased. (Isaiah Berlin, *Two Concepts of Liberty*, 1958, p. 10).

Here then is a typical dilemma of the Christian as he approaches economic policy; his concern for his brother leads him to favor a measure that will help his brother (such as social security) but, to be really effective, it requires that he also reduce his brother's freedom to choose. I note, somewhat sadly, that given this choice, the majority of Christian peoples have usually chosen to sacrifice their own freedom and the freedom of others in the interest of compelling people to do what all good Christians know they should do. This may or may not be the right decision on the question of social security, but let no Christian say yes, it *is* the right decision, with a feeling that no sacrifice of any principle is involved.

### *Redistribution of Income*

The last two approaches, retraining the worker and providing him with direct relief, are but two

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

forms of the same thing and I shall treat them as a unit. Government-provided relief is a forced redistribution of income from one group of people to another group of people. Subsidized retraining is simply a form of redistributive payment that the beneficiary can receive only if he takes it in a given form, that is, in the form of tuition-free schooling, combined with subsistence payments. Whether redistribution is more efficient if the uses of the money by the beneficiaries are directed by the government (as in retraining programs, government housing, school lunch provisions, and the like) than if the money is simply turned over to the beneficiaries to be used as they wish, is a complex question and one that I don't have time to examine. I would point out only that he who pays the piper, whether he be a private person or a government agent, will usually be strongly tempted to call the tune. In other words, as a matter of sociological probability, most schemes for redistributing income will usually involve some directing of the uses to which the beneficiaries may put the funds.

Whatever form the payments may take, relief provided by the state *does* work; it *does* provide assistance to the needy. It *does* provide food for the hungry, clothing and shelter for the cold, and medicine for the sick. Surely, here at last the Christian can relax, secure in the knowledge that in supporting such measures he is recognizing the obligations imposed upon him by the fact of human brotherhood in God.

Perhaps – but perhaps not. As I understand it, these obligations rest upon each individual to be acted upon as a matter of conscience. As I remember the parable, the Good Samaritan was not acting upon an order of government in performing his good deed, nor was he a paid official of a local welfare agency, drawing on local tax funds. Does Christian virtue consist in passing a law to force oneself to do what is charitable and right? Given man's imperfect nature, this might be a tenable position. Unfortunately, though, the law must apply to all; and thus many, who, for whatever reason, do not *wish* to give up what is theirs for the use of others, are physically compelled to do so.

### *Under Which Christian Precept Can Force Be Justified?*

Ah, but you say, they *should* wish to do so. Of course they should, but if they don't, is the Christian then authorized to use force to compel them to do so? If so, under which of the precepts of Christianity?

Aquinas apparently had found such a precept when he wrote,

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

> The superfluities of the rich belong by right to the poor. . . . To use the property of another, taking it secretly in case of extreme need, cannot, properly speaking, be characterized as theft. (Thomas Aquinas, *Summa Theologica*, 2a, 2ae, quaestiao 66, art. 7)

Others might be troubled, though, by the apparent conflict between this interpretation and the commandment, Thou shalt not steal. Perhaps it should read, Thou shalt not steal, except to give to the poor. Under this interpretation, King Ahab and Jezebel would have been justified in seizing Naboth's vineyard, if their purpose had been to distribute its fruits among the poor.

It is interesting to note the way in which these questions are handled in the thirty-eighth of the Articles of Religion of the Protestant Episcopal Church in the United States:

> The Riches and Goods of Christians are not common, as touching the right, title, and possession of the same; as certain Anabaptists do falsely boast. Notwithstanding, every man ought, of such things as he possesseth, liberally to give alms to the poor, according to his ability.

It would seem possible to develop what might be called a Christian position on this issue that would strike against *all* public charity and make assistance to the needy a response of the individual conscience. This is in fact a position taken by certain denominational groups in the country today.

### *The Personal Practice of Freedom*

Am I really saying that I think the vast responsibilities for assistance to the needy in our modern, complex society could be entrusted to private individuals and voluntary welfare agencies; do I really think that, under such a system, no one would be left out, no child would ever die of hunger or cold? I honestly don't know *what* the consequences would be of such an arrangement. I only know that the Christian who enthusiastically embraces coercive, collective charity may very possibly be deriving his mandate from some source other than his own religion. For example, such an approach fits very well with a psychological interpretation of man as a helpless victim of his environment, as a creature not to be held responsible for his own successes or failures. If you answer the question, "Who's to blame?", not with "Mea Culpa," but with "Society," you need not hesitate to turn to the central agency of organized society, the state, to solve any and all problems.

It is of course as presumptuous of me to talk of Christian doctrine as it might be for some of you to

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

talk of technical economics; but I must confess that my own personal interpretation of Christianity does not fit well with most of the approaches to social and economic problems of official Christendom in this country today. *Today's Christian economics seems to me to be neither good Christianity nor good economics.*

But my function here is not to offer you advice on what to accept and what to reject. That I have done so, both directly and by implication, lends further credence to the thesis of one of my favorite modern philosophers, Charlie Brown of the *Peanuts* comic strip, who was once led to remark, "This world is filled with people who are anxious to function in an advisory capacity."

### *If Economists Disagree, Let Christians Be Tolerant*

My function here has been to discuss the topic, Christian Economics; Myth or Reality? I have argued that the word, Christian, cannot and must not be used as a modifier to economics as a pure science. To do so is to indulge in the ancient sin of trying by appeal to revelation to answer certain questions that were meant to be answered by man himself with the use of his God-given reason.

I have argued as well that, in spite of its present state of imperfection, economics as a pure science, that is, positive economics, has much to offer to those who are interested in questions of economic policy. As a matter of fact, I think myself that *much of the diversity of opinion among economists, both amateur and professional, on questions of public policy stems not from disagreement over ultimate goals or values but from disagreement over the findings of positive economics.* In a sense this is encouraging, because it implies that these disagreements can be reduced over time by improvement in the science itself. Disagreements over ultimate values cannot be resolved; they can only be fought over or ignored. Disagreements over questions of fact and analysis are conceptually open to solution.

I have also argued that there *can* be a Christian economics at the normative level; the Christian can combine his Christian ethics and Christian assumptions about the nature of man with his knowledge of positive economics to decide whether any given proposal should be approved or condemned. The combination can very properly be called Christian economics.

Unfortunately, because of disagreements at the level of *which* positive economics to accept *and* at the level of *which* interpretation of Christian values to accept, *there is no single set of conclusions on*

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

*economic policy that can be said to be* the *definitive and unique Christian economics.* The socialist and the free enterpriser, the interventionist and the noninterventionist, the business spokesman and the labor spokesman, the Mennonite farmer and the Episcopalian President of the United States, Ben Rogge and John Kenneth Galbraith – each will argue that *his* answers are the ones most nearly in accord with *true* Christian economics. In this lies the challenge to the Christian.

The only advice I can offer the now thoroughly confused Christian is that he avoid hasty judgment and that he think with his head as well as with his heart. He must learn what he can from positive economics and carefully examine precisely what values are imposed upon him by the fact that he is a Christian. In the meantime, he can draw some comfort from the knowledge that the professional economists and the ministers of the Christian churches are but little less confused than he. ◈

GREAT MYTHS OF AGRICULTURAL POLICY: NO. 1
*Reprinted from* Successful Farming *magazine, August 1965.*

# "Farm Prices Are Made in Washington"

DON PAARLBERG

THE ELEMENT of truth which gives this myth its appeal is the simple, observable fact that the government can legislate and administer a price for wheat or cotton which is different from the price that would otherwise prevail in the market. In fact, it has done so. The price of wheat has been dropped, through Washington action, from $2 to $1.40 per bushel. To the degree that farm prices are made in Washington they are unmade at the same address.

*The element of untruth* which makes the myth dangerous is the belief, implicit in the statement, that a government sympathetic to agriculture could establish any price it wished. It infers that Washington is responsible for whatever level of prosperity or difficulty agriculture is experiencing. This untruth is greater than the fragment of fact which the statement contains.

Dr. Paarlberg is Hillenbrand Professor of Agricultural Economics at Purdue University.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

If one accepts and repeats the myth that farm prices are made in Washington, he reveals his belief that decision-making has been transferred from the individual to his government and that centralized authority has replaced the market system. In short, he has written off the competitive economy and replaced it, in his mind, with a regimented society. For if Washington is to take over the job of establishing the price, Washington must also take over the jobs that price does. That is, Washington must regulate production, regiment the marketing process, supervise consumption, and take responsibility for the level of income.

A more accurate statement is: "Prices of certain farm products are influenced, within limits, by legislation enacted in Washington." But what this statement gains in truth, it loses in simplicity. As is so often true, the myth has more appeal than the fact.

What makes price? If prices are not made in Washington, how are they made?

### *Supply and Demand*

To find out, you must know economic lesson No. 1. It's so basic that if you understand it, all else in economics becomes comprehensible. It concerns the laws of demand, supply, and price.

The law of demand is this: Other things equal, the quantity purchased will move in the opposite direction from price. Thus, if the price is raised and other things remain the same, a smaller quantity will be purchased. And inversely: People will clean out a grocer's steaks if he lowers them from 98¢ to 28¢ a pound.

The law of supply is this: Other things equal, the quantity offered for sale will vary directly with the price. Thus, if the price of soybeans goes up and other things remain the same, you'll try to produce more and the supply will be larger.

When supply and demand interact in a competitive market, price becomes established to equalize the two. Supply equals demand and the market clears. There is no "surplus" or "shortage." The price may be high or low, depending upon the respective levels of demand and supply.

If the price is low, the market is telling farmers to produce less and telling consumers to buy more. If the price is high, the opposite signal is being given. This is the mechanism by which the people jointly determine how land and labor and capital should be used. It is a remarkably orderly process, and functions effectively for the most part.

True, government may stimulate demand, as, for example,

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

through Public Law 480. And it may retard supply by land retirement programs. These operations may and do affect prices. But the range within which price may thus be manipulated is not as wide as many think.

### *Unhappiness Prevails*

No one is completely happy with the market system. Farmers wish the price was higher. The standard definition of a fair price, as the farmer defines it, is "10 per cent more." Conversely, the consumer's definition of a fair price is "10 per cent less."

So the subject of prices is controversial. It always has been, and it always will be, because producers and consumers contend with one another. If the market is competitive, they contend in the market place. If the price is legislated, they contend in the halls of Congress.

If one says "farm prices are made in Washington," he is really saying that the competitive market has disappeared and that we now have a government-made market. This is a gross exaggeration. Prices of livestock, poultry, most fruits, and vegetables are made competitively in the market place. These products bring in roughly 50 per cent of the farm income.

Commodities whose prices are, to a degree, "made in Washington" bring in only about half of the farm income. And even for those commodities whose price is "made in Washington," the limits within which Washington can set the price are rather narrow. An Administration and a Congress dedicated to high price supports has had to reduce support levels for tobacco, wheat, cotton, and others. The market forces are powerful.

But the myth persists. Like an old Greek myth, it is more a reflection of a state of mind than an accurate portrayal of the real world. ◈

©Meredith Publishing Company, 1965. All rights reserved.

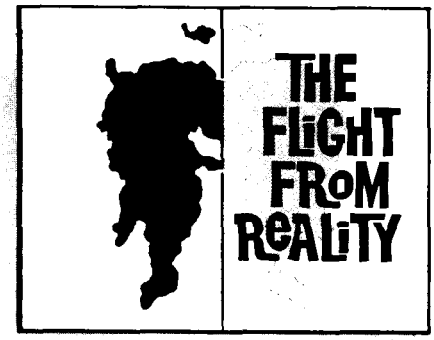
### *The Price of Pig*

The price of pig
Is something big;
Because its corn, you'll understand,
Is high-priced, too;
Because it grew
Upon the high-priced farming land.

If you'd know why
That land is high,
Consider this; its price is big
Because it pays
Thereon to raise
The costly corn, the high-priced pig!

Quoted in *Economics of Enterprise* by H. J. DAVENPORT

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED




# 15. Remaking the Minds of Men

CLARENCE B. CARSON

*In the third place, the administrator . . . will realize that public education is essentially education of the public: directly, through teachers and students in the school; indirectly, through communicating to others his own ideals and standards, inspiring others with the enthusiasm of himself and his staff for the function of intelligence and character in the transformation of society.*
—JOHN DEWEY, 1937

*A new public mind is to be created. How? Only by creating tens of millions of new individual minds and welding them into a new social mind. Old stereotypes must be broken up and new "climates of opinion" formed in the neighborhoods of America. But that is the task of the building of a science of society for the schools.*
—HAROLD RUGG, 1933

*. . . The young should receive careful training in mutual undertakings, in organizational work, and in social planning so that they may form the desired habits and dispositions.*
—GEORGE S. COUNTS, 1952

NOTHING is so unlikely as that the established institutions in a society should be used to transform and reconstruct society. After all, the institutions derive their reason for being and support from the existing order, if they are not anachronisms. They exist to perpetuate and serve that order. In a word, they are conservative. Certainly, this has almost always been true of such fundamental institutions as the home, the church, and the school. The home has traditionally been the place where the child has been civilized, has been taught rudimentary manners, has been taught how to get along with

Dr. Carson is Professor of American History at Grove City College, Pennsylvania. Among his earlier writings in THE FREEMAN were his series on *The Fateful Turn* and *The American Tradition*, both of which are now available as books.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

others, has been nurtured and trained in manners and morality. This training derives largely from the experience of the parents, what they have been taught, and what understanding they have of the world in which they live. The school has been the place for the teaching of the accumulated knowledge from the past, and the church has been the rock which served to anchor man in the enduring as he tended to adapt himself to the winds of change. These are conservative functions, for by them the experience, heritage, knowledge, and Revelation are passed from one generation to another.

Yet, in this century, a concerted attempt has been made to undermine and/or direct these institutions to the ends of social reconstruction. Religion, as has been shown, was drawn into the stream of social reform by the social gospel. Parents have yielded much of their responsibility for the upbringing of their children to various social agencies, notably the schools. And, whether they have or not, the authority which they formerly wielded has been restricted by new doctrines on child rearing, by the assaults upon custom and tradition, by the loss of confidence in the wisdom embedded in the heritage, and by the wedge that has been driven between the old and the young by the "peer group" orientation and conformity. The parents most affected by these changes probably fall into two categories (with some overlapping): the "best educated"—that is, those who have spent the most years in school—and those who are glad enough to avail themselves of the irresponsibility that is involved.

That some people should revel in their irresponsibility requires no explanation—though why they should be encouraged to do so does. But that those who should be best educated are inept in appropriating and using their heritage is a matter warranting careful consideration. This consideration brings us to the subject of this article: the undermining of education, the transformation of the schools, and the instrumentation of education for melioristic reform.

### *Perverting the Tradition*

There are few possibilities more remote than that the schools should be made into instruments of reform. It required great ingenuity and imagination to bring it off—a concerted effort over an extended period of time by men dedicated to the task. The reason for such difficulties is not far to seek. Schools have for their task the education of children. Education has, at least historically, been

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

concerned with conveying knowledge; or, at any rate, it has been associated with the acquisition of knowledge. Such knowledge consists of the skills, methods, and information which has been learned in times past. To put it another way, knowledge is of what is and what has been. There is no knowledge, in particulars, of what will be in the future, though much may be deduced from a knowledge of the universe and what has happened as to what can and cannot be in the future, but even this is only knowledge of what is and has happened.

But the educational reformers proposed to use schooling as preparation for building a different society for the future. That is, they were futuristic, oriented to what would be rather than to what was and had happened. In short, they proposed to use the schools as breeding grounds for social change rather than for education. Theirs was, and is, a flight from the reality of knowledge upon which education is supposedly based. Insofar as such education is focused upon the future, it is usually an uninhibited exercise of the imagination. Insofar as it is an attempt to implant some ideological version of what the future should be like, it is nothing but propaganda. Insofar as it is concerned with rooting out traditional ideas and beliefs, it is brainwashing. Insofar as schooling has been turned from imbuing with knowledge to social reconstruction, it has been turned from a solid task to sentimental hopes and vague visions of the future. (But, it may be objected, education is to prepare one for living in the future. So it is. It is *for* the future [or the extended present], but it is *of* the past and what now is. If there is aught of value to be learned, in school or elsewhere, it has to be of the past and what is.)

### *Explaining What Happened*

There is general agreement that education has been transformed in America in the twentieth century. Those who have described it, however, have focused upon different things. Some have emphasized the great increase in numbers in the schools and the larger proportion of the young who have stayed in school much longer. Indeed, it is a cliché of the educationists that this accounts mainly for the changes in content and method. It is alleged that education was formerly aristocratic in emphasis and that in the twentieth century it was adjusted to the generality of the young. Some emphasize the impact of new developments in education and the attempts to make it scientific. Others focus

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

upon leaders, movements, and associations.

This account will focus upon three major developments in education: (1) the undermining of education, (2) the reorientation of schooling and its instrumentation to social reform, and (3) the centralizing of control over education. Attention will be centered on the educational reformers, their aims and accomplishments. It should be clear that this results in only a partial account of what has happened in education. The reformers have quite often been thwarted in their aims by determined classroom teachers, by resisting administrators, and by the tendency of people to continue established methods. Still, the reformers have succeeded, much more than they have been inclined to admit, in transforming the schools.

### *Progressive Education*

The main impetus to educational reform and the central tendency of it came from the Progressive Education movement. The chief proponent, and later patron saint, of Progressive Education was John Dewey. As early as 1897 he declared that "education is the fundamental method of social progress and reform."[1] In *The School and Society* (1899), "the school is cast as a lever of social change . . . , educational theory . . . becomes political theory, and the educator is inevitably cast into the struggle for social reform."[2] He was to follow this with many articles and books on education, and the theme of reform is always there, either in the forefront or as assumption. As has been pointed out before, Dewey was a central figure for reform in general. He had come under the influence of a new conception of reality and was an indefatigable worker in trying to bring this world into conformity with it. Dewey would, and did, put the matter otherwise: he had perceived the underlying direction that things were taking and used his energies to try to persuade men to make the appropriate adjustments and changes so that they might stay in the stream of history. He was a monist, a meliorist, an antitraditionalist, a social analyst, an environmentalist (modified), an equalitarian, a democratist, a historicist – in short, a Progressive.

Dewey was under the sway of a new conception of reality. What was real to him was change, society, and psyche. His ideas stem from William James, from G. W. F. Hegel, from Charles Darwin,

[1] Quoted in Lawrence A. Cremin, *The Transformation of the School* (New York: Alfred A. Knopf, 1961), p. 100.

[2] *Ibid.*, p. 118.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

from Lester Frank Ward, and from the gradualist revision of Marxism. His conception of change had the mystical overtones conferred upon it by Hegelianism, Darwinism, and the reform Darwinists. It was something produced by such "forces" as industrialization; it was not to be denied, but it could be controlled and directed by human ingenuity. What was important to him was society. It was the firm reality in terms of which one acted, wrought changes, and made improvements. He wrote much about the individual, about individual freedom, about the individual child, but the reality within which the individual moved and had his being was always society. The psyche was both the obstacle to reform and the means by which reform was to be brought about.

Dewey was not so much an innovator as a prodigiously productive amplifier. He was in a stream of American reformers – Henry George, Edward Bellamy, Lester Frank Ward, Henry Demarest Lloyd, and so forth – which goes back into the nineteenth century, and which broadened and became more numerous in the twentieth. Moreover, many of these conceived of this social function for education. To Lester Frank Ward, according to one historian, "education was the 'great panacea' –for political as for all others evils."[3] Albion Small, a disciple of Ward, declared in the 1890's, "Sociology knows no means for the amelioration or reform of society more radical than those of which teachers hold the leverage. . . . The teacher who realizes his social function will not be satisfied with passing children to the next grade. He will read his success only in the record of men and women who go from the school . . . zealous to do their part in making a better future."[4] In 1911, Charles A. Ellwood wrote that the schools should be used as "the conscious instrument of social reconstruction."[5] A few years later, Ernest R. Groves proclaimed that "society can largely determine individual characteristics, and for its future well-being it needs more and more to demand that the public schools contribute significantly and not incidentally to its pressing needs by a social use of the influence that the schools have over the individual in his sensitive period of immaturity."[6]

Dewey was by no means alone, even at the beginning, but he was a central figure. He went to Co-

[3] Henry S. Commager, *The American Mind* (New Haven: Yale University Press, 1950), p. 214.

[4] Quoted in Cremin, *op. cit.*, p. 99.

[5] Quoted in Edward A. Krug, *The Shaping of the American High School* (New York: Harper & Row, 1964), p. 254.

[6] *Ibid.*, p. 254.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

lumbia University to profess philosophy in 1904, and taught there until his retirement in 1930. Teachers College at Columbia University became the center from which so many of the doctrines of Progressive Education were spread to the rest of the country. Many of the most influential of its spokemen held forth there: William H. Kilpatrick, Harold Rugg, George S. Counts, and others.[7] One historian, though eager to disclaim any untoward implications, points up the influence of William H. Kilpatrick, a student and disciple of Dewey:

> In all he taught some 35,000 students from every state in the Union at a time when Teachers College was training a substantial percentage of the articulate leaders of American education. Any competent teacher occupying the senior chair of philosophy of education at the College between 1918 and 1938 would have exerted a prodigious influence on educational theory and practice. In the hands of the dedicated, compelling Kilpatrick, the chair became an extraordinary strategic rostrum for the dissemination of a particular version of progressive education. . . .[8]

Others spread the word from rostrums in other universities: Boyd Henry Bode at Ohio State University, Theodore Brameld at the University of Minnesota, and many lesser known names in hundreds of departments and schools of education in American colleges and universities.

### *The Rise of Relativism*

Before the New Education, or New Schooling as it should be called, could be installed, however, the old education had to be discredited and displaced. The discrediting of the old has gone on for many years and at many levels. The deepest level of attack was the philosophical, and at this level it was an attack upon the possibility of knowledge. Throughout a long career John Dewey carried on a running attack upon absolutes – that is, upon all claims to truth, to established knowledge, to any fixity in the universe. Dewey was a relativist, as have most of the Progressives been. The following are examples of Dewey's own avowal of relativity:

> Reference to place and time in what has just been said should make it clear that this view of the office of philosophy has no commerce with the notion that the problems of philosophy are "eternal." On the contrary, it holds that such a view is obstructive. . . .
>
> This movement is charged with promotion of "relativism" in a sense in which the latter is identified with lack of standards. . . . It is true that

[7] See Augustin G. Rudd, *Bending the Twig* (Chicago: Heritage Foundation, 1957), pp. 235-37.

[8] Cremin, *op. cit.*, p. 220.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

the movement in question holds since the problems and issues of philosophy are not eternal they should link up with urgencies that impose themselves at times and in places.[9]

Dewey was, of course, a master of answering criticism by miscontruing the objections to his philosophy. Surely no one was taking him to task for dealing with contemporary issues, or denying that what interests men may change from time to time. The question was rather of whether or not there are enduring principles and laws in terms of which questions may be settled. Dewey did not believe that there are. He affirmed his relativism in what was for him a rare lack of ambiguity in the following words:

In the second place, liberalism is committed to the idea of historic relativity. It knows that the content of the individual and freedom change with time; that this is as true of social change as it is of individual development from infancy to maturity. The positive counterpart of opposition to doctrinal absolutism is experimentalism. The connection between historic relativity and experimental method is intrinsic. Time signifies change. The significance of individuality with respect to social policies alters with change of the conditions in which individuals live.[10]

In short, everything is continually changing.

Other Progressives attacked the belief in established truth and proclaimed their relativism. Note the disdain which William H. Kilpatrick had for those who believe in truth:

When people have interests they wish to hold undisturbed, they fall naturally into this older Platonic logic and, as if they had some private access to absolute truth which establishes beyond question the positions they wish to uphold, call all new ideas . . . *subvertive* and *pervertive*. These people in their hearts reject freedom of speech and freedom of study because they themselves already have "the truth" and these freedoms might if followed "subvert" their "truth."[11]

Boyd Henry Bode asks us

. . . to consider the nature of an educational system which centers on the cultivation of intelligence, rather than submission to authority. Such a system recognizes no absolute or final truths, since these always represent authority in one form or another, and since they impose arbitrary limits on social progress and the continuous enrichment of experience.[12]

[9] John Dewey, *Problems of Men* (New York: Philosophical Library, 1946), p. 12.

[10] *Ibid.*, pp. 136-37.

[11] William H. Kilpatrick, ed., *The Teacher and Society* (New York: D. Appleton-Century, 1937), p. 36.

[12] Joe Park, *Selected Readings in the Philosophy of Education* (New York: Macmillan, 1963), p. 153.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

***The Tradition Undermined***

The relativism of the Progressives is a crucial point for their educational theories. If there is no truth, it is appropriate to inquire what education is about. Why should children be sent to school? Why should there be a huge educational establishment? The Progressives had answers to these questions which satisfied them, but their answers will be told at the proper place below. The point here is that the relativistic position served as the point of departure for the undermining of traditional education. If there is no truth, the teacher who lectures to his class is indoctrinating or propagandizing them. If nothing is established, the giving and grading of examinations is a spurious undertaking. If there is nothing enduring, the teaching of subject matter is surely a waste of time.

The assault upon education was not usually carried on in so blunt a fashion; had it been, it is doubtful that it would have been as successful as it was. It was conducted on a more piecemeal basis, until many of the traditional courses and methods had been discredited. The traditional schools were charged with being aristocratic, with perpetuating inequalities and being unsuited to the generality. Educational reformers parodied the idea of mental discipline and held their distortion of it up to scorn. Many of the subjects were virtually useless, they claimed; for example, Latin, higher mathematics, and various other "cultural" courses. (At the beginning of the twentieth century, "culture" did not have its present high standing among "democrats.") Drilling in facts was deplored, along with emphasis upon content itself. The teacher who exercised authority was castigated as an autocrat. In short, they tended to undermine the authority of the teacher, discredit the courses of study, deplore the imparting of information, and assail disciplinary techniques.[13]

The traditional was disparaged and conservatives denounced by Progressives. For example, Dewey declared that the "traditional scheme is, in essence, one of imposition from above and from outside. It imposes adult standards, subject-matter, and methods upon those who are only growing slowly toward maturity.[14] Kilpatrick claimed that there were many conditions hampering the schools from performing their social function. "Most obvious among such hindering conditions stands the common tradition . . . that the

[13] For examples of such criticisms, see Krug, *op. cit.*, pp. 278-82.

[14] Park, *op. cit.*, p. 135.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

work of the school is properly limited to a few simple and formal school subjects, the assigning of lessons in these, and hearing the pupils recite what had been assigned."

In short, "the traditional school was thus a place where lessons were assigned and recited. . . . To each question asked there was always one and only one right answer. Subject-matter was, on this theory, the kind of thing that could be assigned and then required under penalty. If the assignment were not recited precisely as required, the pupil could be held responsible. . . ."[15] Dewey called for the "modification of traditional ideals of culture, traditional subjects of study and traditional methods of teaching and discipline. . . ."[16]

### *Thinking Undermined*

Dewey spoke favorably of reason and intelligence, but the traditional modes for training and sharpening these were largely displaced from the schools. One historian points out that the academies, and presumably many of the other types of high schools as well, used to teach, among other things, political economy, ethics, moral philosophy, mental philosophy, mental science, and logic.[17] Undoubtedly, there was much that was open to criticism in the older education, as there is with all human undertakings. But Bernard Iddings Bell makes some informative points about it. "Latin and Greek did teach language *qua* language. There was almost no instruction in English, but young people who learned how to use other languages found themselves surprisingly proficient in the use of their own." Moreover, "the use of symbols and graphs in algebra and geometry and trigonometry and the insistence upon the supremacy of logic in mathematics did make for sound abstract thinking."

He concludes that those "who advocate the new subjects seem to suppose that their critics are vexed merely because they are no longer willing to teach the ancient languages or some other particular course sanctioned by tradition. This is not the real source of criticism. The point is that the older schools taught *their students to think* and that the newer schools mostly do not."[18] My larger point, which the above tends to bear out, is that the advocates of Progressive Education

[15] Kilpatrick, *op. cit.*, pp. 26-27.

[16] John Dewey, *Democracy and Education* (New York: Macmillan, 1916), p. 114.

[17] Krug, *op. cit.*, p. 4.

[18] Bernard I. Bell, *Crisis in Education* (New York: Whittlesey House, 1949), pp. 48-49.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

were undermining education itself.

This will become clearer by examining what they proposed to substitute for the older education. It should be clear that the Progressives did not believe that there was any body of knowledge to be purveyed in the schools. There was no enduring reality, on their view, to which such a body of knowledge could refer. Nor were they overly enthusiastic about skills and methods, for these, too, would change with changing conditions. Two things might be worthy of study, in the manner in which learning has been conceived traditionally: contemporary conditions and the historical forces and trends at work.

### *Conditioning the Child for Social Reconstruction*

There was a two-fold purpose of education: (1) training the child to adjust to changing conditions, and (2) developing in the student a favorable attitude toward and ways of thought suited to continuous social reconstruction. These two purposes were not separate; rather, they were intertwined. Taken together, virtually all of the recommendations and programs of Progressive Education can be subsumed under them. The programs that are a part of the adjustment motif also fit into a larger pattern.

Education should be child centered, not subject matter centered, they said. They were able to evoke with this slogan a great deal of sentimentality which people have come to lavish upon children. Moreover, the rationale for child-centeredness in education had a rather long, if not respected, historical background. It went back to Rousseau, to Froebel, to Pestalozzi, and came down through E. L. Thorndike and John Dewey. Fundamentally, it held that children are naturally good, that each of them has his own little personality which unfolds as he grows up (maturation was the scientistic term applied to this), that if he is allowed to develop freely and spontaneously the natural (and good) product will emerge, and that the teacher should be a kind of midwife in the process. These doctrines, like most others, can probably be traced back to Plato.

Dewey and his disciples subsumed the residues of these ideas into their ideology and turned them to the purpose of socializing the child. Child-centered schooling, in this framework, takes the authority away from the teacher for imposing an order upon the experience and from teaching certain things. It vests the determination of this in the children.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Many methods were devised for doing this: the discussion method in class, in which each child "expresses" himself; the curving of grades, which places the "standard" in the class rather than with the teacher; social promotion, by which a child is kept with those of his same age regardless of achievement.

### *Child-Centered Socialism*

The Progressives talked much about the individual child, and many have supposed that this was the central concern. Some may have supposed this was the aim, and adopted it as their own, but the child-centered method does not individualize; it socializes. The facts are these: a child is not a fully developed individual; usually, he does not know what he wants; he has only a very limited number of ideas to express; his will is undisciplined; he does not know what to do in most circumstances. In short, he turns to those around him for guidance and for standards. If the teacher, or an adult, does not direct him, he turns, perhaps gladly and sometimes initially, to the other children. John Dewey knew this. He said:

> The conclusion is that in what are called the new schools, the primary source of social control resides in the very nature of the work done as a social enterprise in which all individuals have an opportunity to contribute and to which all feel a responsibility. Most children are naturally "sociable." A genuine community life has its ground in this natural sociability.[19]

What Dewey was saying was that the new schools would bring the child under the social control of the group because of the natural "sociability" of children. The teacher need not be excluded entirely from the process, of course. As Dewey said:

> . . . When pupils were a class rather than a social group, the teacher necessarily acted largely from the outside, not as a director of processes of exchange in which all had a share. When education is based upon experience and educative experience is seen to be a social process, the situation changes radically. The teacher loses the position of external boss or dictator but takes on that of leader of group activities.[20]

A cheer leader, one supposes, by which the uninformed utterances of children are encouraged and rewarded!

The process would be one, ineluctably, of adjustment of the child to the group. More broadly, however, the group would be adjusting to the contemporary situ-

[19] Park, *op. cit.*, p. 143.
[20] *Ibid.*, p. 144.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

ation, or, at any rate, shifting to every wind that blew. Children, so untaught, would have nothing upon which to base their actions but what other children did; all would likely follow the line of least resistance by yielding to whatever pressure was exerted upon them from whatever quarter. They would know nothing but the momentary, would see no farther than the end of their collective nose, would be, in a word, conformers and adjusters.

This would fit them for the larger, and ultimate, purpose of Progressive Education – social reconstruction. Children who have little besides their shared ignorance upon which to base their ideas can be readily drawn into the orbit of social visionaries. They can be, and have been, filled with notions of the goodness of people, of how everybody deserves this or that, of how unjust certain things are, and so on. They would have no clear notion of the limiting character of the universe, of cause and effect, of an order which makes things turn out the way they do. They would have been encouraged to assert their wills ("express" themselves) and have no reason to suppose that the way they (collectively) think that things ought to be would not be the way they could be. In short, they would be admirably fitted out with the pretensions of social reformers.

### *Changing the Social Order*

There can be no valid reason for doubting that the Progressive Education leaders conceived of social reconstruction as the prime function of schooling. This strain runs through their writings from the earliest to the latest. They have differed from time to time as to the bluntness with which they stated it (it reached its apogee in the 1930's), but it has been a continual refrain. Dewey declared at the outset that "the teacher always is the prophet of the true God and the usherer in of the true kingdom of God."[21] Many years later he proclaimed the view that "the schools will surely as a matter of fact and not of ideal *share* in the building of the social order of the future. . . . They will of necessity . . . take an active part in determining the social order. . . ."[22]

George S. Counts said, "In the collectivist society now emerging the school should be regarded . . . as an agency for the abolition of all artificial social distinctions and of organizing the energies of the nation for the promotion of the

[21] Quoted in Cremin, *op. cit.*, p. 100.

[22] Quoted in John H. Snow and Paul W. Shafer, *The Turning of the Tides* (New York: Long House, 1956), p. 30.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

general welfare. . . . Throughout the school program the development of the social order rather than the egoistic impulses should be stressed; and the motive of personal aggrandizement should be subordinated to social ends."[23] Harold Rugg maintained that changes that have occurred necessitate "the scrapping of the formal school and setting up of a thoroughly new one." The reason for this is that "the climates of opinion of American communities, those now dictated by the dominant groups that own and control the economic system, must be made over. . . ."[24]

In order to use the schools in this way, the habits and training of teachers had to be changed, for, above all, it was the teachers who could assure this employment of the schools. Harold Rugg described one aspect of the program in this way:

> Summing the matter up, then, I see the necessary strategy of the educator in educational and social reconstruction as that of (1) creating intelligent understanding in a large minority of the people, (2) practicing them continually in making group decisions concerning their local and national issues, and (3) having them constantly exert pressure upon legislators and executives in government to carry out their decision.[25]

Goodwin Watson gives these pointers to teachers on how to develop social reform habits:

> . . . When the young student goes to visit the tenements of crowded slum areas, he is working on the first level. . . . When he joins a housing movement or association . . . , he begins *participation.* As he begins to accept committee assignments, he enters the third stage. . . . When he goes out into a community backward in its housing and succeeds in starting some effective action, his development has reached the stage where he can *initiate* on his own responsibility. . . . Activity in aiding unemployed youth, in consumer's co-operatives, inter-racial good will, world peace, public health, parent education, political parties . . . will follow a similar course.[26]

Harold Rugg held that "the teachers should deliberately reach for power and then make the most of their conquest. . . . To the extent that they are permitted to fashion the curriculum and the procedures of the school they will definitely and positively influence the social attitudes, ideals, and behavior of the coming generation." [27]

[23] *Ibid.*, p. 29.

[24] Quoted in Rudd, *op. cit.*, p. 68.

[25] Harold Rugg, *American Life and the School Curriculum* (Boston: Ginn, 1936), p. 455.

[26] Kilpatrick, *op. cit.*, p. 315.

[27] Park, *op. cit.*, pp. 187-88.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

### *By Force, If Necessary*

The character of the social reconstruction which Progressives had in mind should not be left in doubt. Though they may have differed as to the extent to which society should be reconstructed and as to how this should be done, they did not differ in believing that it would involve radical change. John Dewey said, "In order to endure under present conditions, liberalism must become radical in the sense that, instead of using social power to ameliorate the evil consequences of the existing system, it shall use power to change the system."[28] An examination of the writings of a goodly number of these men indicates that they favored a direction which is generically known as socialism.

As a matter of fact – and it is a hard and enduring fact – people do not generally want to be made over. They do not want themselves and their society (for a given society is all the people in it) reconstructed according to somebody's blueprint. Certainly, parents do not want their children used as instruments of such reconstruction nor the schools turned into social reform institutes. Parents, insofar as they give such matters thought, want children to be made into adults for the society in which they live. The Progressives faced tremendous obstacles all along the way. Parents wanted the old education, at least in substance; school boards resisted their innovations; teachers persisted in teaching as if they had some knowledge to purvey.

### *Instruments of the State*

The schools were, however, an attractive target for social reformers from the outset. Many of them were tax supported by the beginning of the twentieth century, and by then or within a few years all of the states compelled attendance. Early in the twentieth century, David Snedden noted that the schools were "the only educational institutions which society, in its collective and conscious capacity, acting thru the state, is able to control." In these, an education could be introduced which proceeded "from the broadest possible conception of society reconstructing itself."[29] But this was easier said than done. Schools were usually locally controlled, frequently locally financed, under the keeping and direction of local boards of trustees. These were resistant to the innovations that the Progressives advanced.

To accomplish the ends which they sought, the schools had to be brought under their power and

[28] Dewey, *Problems of Men*, p. 132.

[29] Krug, *op. cit.*, p. 253.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

control. The effort to accomplish this was conducted on many fronts, always under such rubrics as "efficiency," "modernization," and "progress." Subtle attacks upon "reactionary" boards, communities, and parents were carried on. Patriotic groups were defamed.[30] More to the point, control of the schools was shifted away from local control. States began to supplement the income of schools, certify teachers, provide normal schools and schools of education, and to specify courses of study. School districts were consolidated, and school buildings located away from many communities. Courses in "education" were required for teachers in the public schools, which usually brought them under the influence of Progressives. Teachers were given tenure, which tended to remove them from the disciplinary power of local communities. Various and sundry slogans and ideas were promulgated to render the resistance of the patrons of the schools of no effect. If parents object to some book being used in the schools, they are accused of "censorship" and "book burning." If they object to what is being taught, they are accused of violating the "academic freedom" of the teachers. That Progressives were frequently aware of precisely what they were doing should be clear from this statement by John Dewey:

> In short, the social significance of academic freedom lies in the fact that without freedom of inquiry and freedom on the part of the teachers and students to explore the forces at work in society and the means by which they may be directed, the habits of intelligent action that are necessary to the orderly development of society cannot be created.[31]

In short, academic freedom is necessary so that the schools may be used for social reconstruction. Another device developed by the educationists for protection of themselves from the "vulgar" is a scientistic jargon.

### *Methods and Results of Progressivism Summarized*

A complete account of how progressivism entered the schools would call attention to the changes in the curriculum, to the submergence of such disciplinary studies as history and geography in something called "social studies," to the introduction of the problem-solving technique (which is an imaginative way to get students to become reformist minded), to the writing of textbooks informed in the new ethos, and so on. But

[30] See Dewey, *Problems of Men*, p. 91; Kilpatrick, *op. cit.*, pp. 29-37.

[31] Dewey, *Problems of Men*, p. 79.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

enough has been told to suggest the character of the rest.

The Progressives have not succeeded, of course, in completely undermining education. Many dedicated teachers have persisted in teaching fundamentals, at least in the lower grades. Many administrators and boards of education have limited the extent to which changes were made. Even so, the Progressives succeeded much better than most of them have ever admitted. They have managed to introduce group-consciousness and ideas of adjustment into the very heart of the schooling process. They have convinced many young people that the welfare state is inevitable, that it is democratic to advance social reforms, and that there is little to nothing to be learned from the past. Their effort has resulted in a tendency for the young (in their "peer groups") to be oblivious to adults, for schools to be separated from communities, for children to be ignorant of or contemptuous of their heritage and tradition, and for childhood to be perpetuated beyond its normal years.

Thus have young minds been shaped to strange ends, and thus have Americans proceeded on their flight from reality. To what end? Bernard Iddings Bell summed it up felicitously, if fearfully, some years ago:

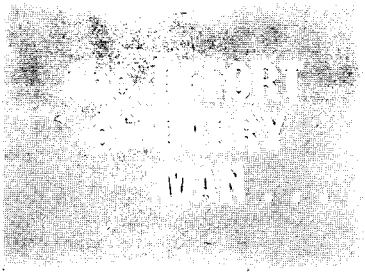
> When men or nations get tired of dodging fundamental questions in a multitude of distractions, they turn to a search for something else that will, so they suppose, give them the sense of significance which they know they lack. . . . If they remain adolescent in their approach to life they are frequently tempted to seek meaning for themselves and for their nation in terms of coercive power. They develop a Messianic complex. They seek to live other people's lives for them, ostensibly for the good of those other people but really in the hope of fulfilling themselves.[32] ◈

[32] Bell, *op. cit.*, p. 20.

*The next article in this series will discuss the transition "From Ideology to Mythology—I."*

Back issues of THE FREEMAN from October 1956 when this *Flight from Reality* series commenced are available at 20 cents a copy. Also available at $2.50 each, the 12 issues of 1956 bound in Leatherlex FREEMAN binders.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED



■ ■ ■ ■ HENRY HAZLITT

"NO ORDINARY MISFORTUNE, no ordinary misgovernment will do so much to make a nation wretched as the constant progress of physical knowledge and the constant effort of every man to better himself will do to make a nation prosperous. It has often been found that profuse expenditure, heavy taxation, absurd commercial restrictions, corrupt tribunals, disastrous wars, seditions, persecutions, conflagrations, inundations, have not been able to destroy capital as fast as the exertions of private citizens have been able to create it."

So, in the mid-nineteenth century, wrote Thomas Babington Macaulay in the chapter of his famous *History of England* describing the state of the country in 1685.

It could easily be proved, he went on, that the national wealth of England had been almost uninterruptedly increasing for at least the six preceding centuries. For example, "in spite of maladministration, of extravagance, of public bankruptcy, of two costly and unsuccessful wars, of the pestilence and of the fire, it was greater on the day of the death of Charles the Second than on the day of his Restoration." And this economic progress had been proceeding during the nineteenth century with "accelerated velocity."

### *Claiming the Credit*

Macaulay was calling attention to a fact of the first importance, but one that is constantly overlooked. It is systematically ignored today by nearly all governments, who are, at least by implication, constantly claiming for their own policies all the credit for all the economic improvement during their term of office.

This has been especially true since gross-national-product statistics have been compiled. Spokesmen for the Truman Administration boasted that the GNP increased from $211 billion in 1944 to $347 billion in 1952. Spokesmen for President Eisenhower pointed to the increase to $503 billion in

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

1960; spokesmen for President Kennedy to the increase to $584 billion in 1963; and spokesmen for President Johnson to the increase to $670 billion in 1965. But it remains to be determined to what extent these increases (even after allowance is made for a constant rise of dollar prices) were because or in spite of the government policies followed.

Most European governments boast an even faster "economic growth," since the end of World War II, in their countries than in our own. But by far the greatest part of the credit for this growth must be given to the efforts of private citizens of these countries to improve their own condition. If the governments also deserve some credit, it is chiefly because they did not put too many restrictions and deterrents in the way.

### *Usual and Expected*

The great fact that Macaulay emphasized, "the constant effort of every man to better himself," is important not only as it affects the question of who or what should receive the main credit for economic progress. It is the tremendously reassuring fact that all of us would do well to keep in mind as we read our daily newspapers. Too many of us become disheartened anew every morning as we read the sorry record of accidents, divorces, quarrels, unemployment, diseases, deaths, burglaries, muggings, murders, riots, looting, racial violence, strikes, fires, revolts, revolutions, and war, as well as droughts, floods, and other natural disasters. We forget that the newspapers print the "news," and that the news means the unusual and unexpected.

We do not pick up our newspaper and read such items as "Strange case of virtue in the Bronx" or "More than 70 million people all over the United States went to their jobs yesterday morning, working in factories, offices, and on farms till late afternoon. The police did not interfere." We do not read such items because they are the usual and the expected.

The normal thing, in short, is not merely that most people are leading peaceable lives, but that most people are daily working and producing. Many are producing just enough to meet their current living expenses, but others are able to save something – in brief, to accumulate the capital, the money to create the new tools and equipment, that will make not only themselves but later generations constantly more productive. ◈

Copyright Newsweek, Inc., September 27, 1965, and Henry Hazlitt.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

# "AS A MAN THINKS ....."

V. ORVAL WATTS

AS WE THINK, so do we act. We act in ways which we *believe* will give us what we *think* we need or what we *imagine* we will enjoy: particular foods, kinds of clothing, types of shelter, forms of romance, popularity with certain persons, leisure, security, or adventure. "A human being always acts and feels and performs in accordance with what he *imagines* to be *true* about himself and his environment."[1]

In this respect animals differ from humans. A beaver fells trees and builds a dam by instinct. Inherited instinct directs birds to build nests, badgers to burrow, and bees to make honey. We humans have no such built-in directives. We would quickly perish if we tried to rely for guidance on our few inherited urges or ill-defined instincts. For better or worse, humans live only by virtue of what each individual learns during his own lifetime.

For this learning process, man has nature's most highly developed nervous system. Still more important, this nervous system is subject to the control by faculties of a forebrain that puts man, so scientists tell us, as far beyond the highest ape as the ape is above the amoeba.

This forebrain records impressions. From these it forms and stores the ideas which ultimately

[1] Maxwell Malz, *Psycho-Cybernetics* (New York, Prentice-Hall, Inc., 1960).

DR. WATTS, in addition to his writings and years of college teaching in economics, has served as economic counsel for leading business firms. He is now Director of Economic Education and Chairman of the Division of Social Studies at Northwood Institute.

Northwood Institute, a private, two-year college with campuses at Midland and Alma, Michigan, is dedicated to the philosophy and practice of the American free enterprise system. In all of its activities, Northwood seeks to provide intellectual stimulation, encourage personality development, and promote growth in moral understanding and character. Its aim is to aid students to become vocationally proficient, economically literate, and morally responsible, and to inspire an appreciation of our American heritage and the determination to preserve and enrich it.

"As a Man Thinks . . . ." serves as Dr. Watts' introduction to *Philosophy 110: Survey of American Life and Business*, designed to develop understanding of private enterprise and to inspire a resolve to develop the personality, character, and skills necessary for individual success in voluntary cooperation.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

govern human conduct, and it appears to have virtually unlimited storage capacity for every sort of information brought to it by the senses.

But it is much more than a recorder or storehouse. It possesses also the faculty of *mind,* which uses and directs the brain and nervous system. This mind, or consciousness, has the unique power to select from the recorded impressions and ideas those which it will permit to stimulate the nervous system and activate our muscles.

This power to select the controlling ideas is what we mean by "free will," or "freedom of choice," which only humans, so far as we know, possess. Because of it, humans have the power of self-control, or self-government. It makes man *responsible* for his acts in that he can *choose* to act or to refrain from acting as instinct-guided animals cannot do.

### *Your Ideas Control You*

As students of cybernetics put it, the human nervous system operates as a "servo-mechanism" to achieve goals set for it by the mind. These goals are mental images which our minds create by use of imagination.

Your nervous system cannot tell the difference between an *imagined* experience and a 'real' experience. In either case, it reacts automatically to information which you give to it from your forebrain. Your nervous system reacts appropriately to what 'you' *think* or *imagine* to be *true.*[2]

This means that humans can control their own learning process as animals cannot. They can learn what they choose to learn. By selecting their own goals they can learn to direct their own "education."

Increasingly, moreover, individuals must acquire this ability if they are to hold their relative positions in a progressive society. For, as humans progress in cooperation, they make their social environments more complex and more subject to a rapid change. Schools cannot supervise the details of education and re-education necessary to keep pace with changes in the occupational requirements and non-occupational opportunities in progressive societies. Hence, members of such societies must develop initiative and skill in the techniques of teaching themselves. The aim of the schooling process, says Professor Jacques Maritain, should be, therefore, "to guide man in the evolving dynamism through which he shapes himself *as a human person* — armed with *knowledge,* strength of *judgment,* and *moral virtues* — while at the same time conveying to him the spiritual heritage of the nation and the civiliza-

[2] *Psycho-Cybernetics;* p. 29.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

tion in which he is involved, and preserving in this way the century-old achievements of generations."[3]

### Aims of Education

A sketchy list of what we should look for in education, therefore, includes:

1. *Skills*
   a. *Manual skills*, e.g., sucking, eating, walking, talking, reading, occupational techniques, sports, artistic proficiencies.
   b. *Personality skills* necessary for winning approval and cooperation of fellow humans, e.g., skills in expressing pleasure, gratitude, disapproval, concern for the feelings and interests of others.
2. *Moral Traits*: habits of industry, thrift, initiative, fidelity, honor and honesty, courage, self-reliance, regard for interests and feelings of others.
3. *Wisdom and Foresight*: understanding of cause-and-effect relationship in the animate and inanimate realms, including the realm of one's own physiology and psychology as well as that of social relationships.
4. *Learning Ability*: adaptability, ability to gain and use new knowledge and to acquire new skills; resourcefulness.

[3] *Education at the Crossroads*, p. 10, (emphasis added).

Humans have progressed so far in developing these skills, it is said, that every individual must acquire in his own lifetime more knowledge and skill in living than all other creatures have acquired in the form of instinct during the two billion or more years of plant and animal evolution before the most primitive form of man appeared on the scene one or two million years ago.

Moreover, humans can never, apparently, stop learning. They make for themselves an environment that is vastly more dynamic than that to which animals must learn to adapt, for this human environment includes the actions of their fellows and the dynamic realm of intellectual and nervous change within each individual. This means that humans must acquire the ability to teach themselves so that they can maintain their equilibrium in these two ever-changing worlds. They must learn how to learn, and they must acquire the ability to direct their own learning. They must plan to continue developing and exercising this skill, moreover, long after their physical powers have begun to decline.

This learning process can increase until "cerebral accidents" seriously impair the functioning of the brain. That is, a man of sixty or seventy who knows three

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

or four key foreign languages should learn a new language faster than a youth of 18 who knows only his native tongue. A 60-year-old economist should be able to master the intricacies of the accounting profession faster than a 20-year-old undergraduate, other things (e.g., original I. Q.) being equal.

In this connection, teachers should ponder this paradoxical statement by Jaques Maritain: "In order to reach self-determination, for which he is made, he [man] needs discipline and tradition, which will both weigh heavily on him and strengthen him so as to enable him to struggle against them – which will enrich that very tradition – and the enriched tradition will make possible new struggles. . . ." [4]

### *Passion for Objectivity*

What shall we say, then, of the notion that the teacher should not take sides on "controversial" questions – and what questions in the "social sciences" are not controversial today? Should the teacher merely collect and present all possible opinions on these topics, with complete objectivity and with no attempts to help the student make a good choice between the conflicting views?

In what has been called the "modern, mad passion for objectivity" many teachers and schools recoil from a religious, poetical, or moral approach in pedagogy and scholarship. They propose to appeal only to the intellect lest they arouse emotions that, so they fear, may inhibit understanding and misdirect the mind.

But psychologists tell us that the mind cannot function without emotion, and that understanding, consequently, cannot exist without appraisal, or evaluation. Emotions are necessary to stimulate mental activity and the flow of ideas. Ideas, in turn, arouse and alter emotions. All action, including mental activity, is prompted by desire, ambition, purposes, preferences, likes, and dislikes which are evidences of emotion. Objective observation and thought are not unemotional. Instead, they yield significant results only to the extent that emotions inspire the individual to make the effort of concentration necessary to get a clear view of the relevant facts. The emotions to be ruled out, or suppressed, are those which prevent this concentration and accurate interpretation. But the strength of the emotions which prompt the concentrated effort to observe and understand must correspond to the intensity of the concentration and other effort, mental or muscular.

[4] *Education at the Crossroads*, p. 2.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

And, because ideas play so large a role in determining human behavior, humans must learn to distinguish the true from the false, the useful from the useless or harmful, the good from the evil, the beautiful from the ugly. They must acquire the habit of choosing the one and spurning the other. They are needlessly handicapped in this learning and retarded in acquiring wisdom if teachers merely present conflicting opinions and profess their own inability or reluctance to choose between them.

Here is the way one writer deals with this doctrine that educators should "present both sides" so evenly weighted that the student may easily decide that either or neither is valid:

> That concept is endorsed by the overwhelming majority of persons who arrange the education and information programs for colleges, service clubs, discussion groups, business organizations, and others. They believe in presenting the case for socialism along with the case for the free market. Challenge them and they will reply: "Objectivity and fairness demand that we present the arguments for government ownership even though we ourselves don't believe in it."
>
> Do objectivity and fairness demand that they present the case for coin clipping? They say no. Then why do they arrange for speakers and teachers who endorse the monetization of debt? After all, the device of monetizing debt is merely a modern arrangement of the old idea of clipping coins.
>
> Objectivity and fairness aren't the real reasons a person arranges for the presentation of both sides. The primary reason is this: The person hasn't made up his own mind! He doesn't arrange for a defense of coin clipping. He arranges to have the case for monetization of debt presented because he himself hasn't yet repudiated that method of financing government.
>
> When a person voluntarily arranges for the presentation of socialistic ideas along with free market ideas, you may be sure of this: He hasn't completely repudiated socialism; he hasn't completely accepted the ideas of the market and of government restricted to the equal protection of the life, liberty, and honestly acquired property of everyone.
>
> Here is a truism: If the evidence clearly indicates that an idea or policy is untrue or evil, no fair and objective person will voluntarily arrange to have it presented as valid.[5]

### *The Myth of Neutrality*

Because it is a physical impossibility to depict all facts and opinions in any book, class, or course, every educational effort must be selective. No historian could record everything that happened in any period of time, how-

[5] *Clichés of Socialism*, No. 22 (Irvington, N. Y.: The Foundation for Economic Education, 1962).

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

ever short. Insofar as the author of a history has only the educational value of his work in mind, he selects for presentation those facts and supposed relationships which he believes will be especially significant for certain readers and students. The teacher, similarly, insofar as he has only the educational usefulness of his work in mind, will select for recommended or "required" reading by his students, not all available books and articles on the period, but those few which he considers likely to be most effective in producing certain student reactions. The same holds true for authors and teachers in other fields.

In practice, of course, authors of textbooks seldom consider only educational values as they decide what facts and interpretations to present or ignore. Instead, they commonly select facts to support opinions held by the publishers' editorial advisers, school boards, politicians, teachers, and others who help select textbooks. By the same token, they omit from their accounts any mention of facts and relationships which might support opposing views. Teachers, too, in selecting readings and in their class discussions of the readings must consider the opinions of school boards, superintendents, principals, parents, deans, presidents, and trustees.

We should recognize also that both authors and teachers are prone to economize time and effort by following tradition and to continue presenting facts and opinions long after these have ceased to be significant for new generations of students or accepted as valid by leading authorities in the fields.

Probably no teacher can present "both sides" of a controversy without bias unless he believes either that the controversy is unimportant or that he cannot or dares not "take sides." But if he believes that the controversy is unimportant, he can scarcely arouse the interest of his students in it; and if he shows that he cannot or dares not differentiate between the true or false, he fails to inspire in his students the attitudes and qualities necessary for human progress.

### *Northwood Trains for Voluntary Enterprise*

One of the primary duties of a teacher is that of inculcating, by precept and example, the conviction that there is right and wrong, truth and error, beauty and ugliness, and that *it is a matter of life and death for students to learn to choose between them.* He should inspire faith that there is truth, goodness, and beauty, that it is worth-while to seek them, and that

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

it is possible to find them. To qualify as an effective teacher, therefore, the individual himself must possess and display, *to an exceptional degree,* this high regard for truth, virtue, and beauty.

Northwood Institute has been established to train students to function efficiently in private business, or "free enterprise." We should assume that those who founded it, who send their children to it, and who contribute funds for its support believe that employment in private business is a good way to make a living; they believe that the typical operations of banking, finance, advertising, retailing, and the like do not require lying, cheating, stealing, or maiming one's fellow men. They expect Northwood courses to teach how such operations are carried on. More than this, the thoughtful liberal must surely recognize and teach that only in the voluntary association for the exchange of services – that is, only in voluntary activities of free-enterprise industry, finance, commerce, and the professions – do humans develop those qualities which most distinguish them from animals.

We know, however, that a host of industrious and widely respected authors and professional scholars teach that private business operations – the operations of buying and selling in free markets – are dishonest, predatory, and demoralizing to all who take part in them. They teach that, in free markets, the rich get rich at the expense of the poor, so that the rich get richer while the poor become more wretched and numerous. They teach that employers underpay their employees and that overproduction and unemployment result from the workers' inability to buy the products of their own labor. Merchants regularly and necessarily cheat their customers in free markets, according to these anticapitalist scholars, and most consumers are so stupid that competition among professional merchants regularly gives greater rewards to the sellers of shoddy goods, poisons, narcotics, and obscene literature than to producers of better-quality articles, nutritious foods, and wholesome publications. These supposed scholars contend that the poor and the common wage earners, consumers, and small producers can get economic justice only if men like themselves acquire and use the coercive power of the state to regulate production and to set the terms of exchange.

### *Effects of Anti-Business Propaganda*

These illiberal ideas have gained increasing acceptance during the past century, and they have had consequences in the return to re-

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

actionary policies and political institutions, together with growing disrespect for morality and "The Law." The parallel between ancient and modern civilizations in regard to individual freedom and the rise of empire is too striking to escape notice by thoughtful historians.

Degenerative influences are always present in every society, and moral philosophers have called attention to them, generation after generation. Sometimes these Cassandra-like warnings may have helped to reverse the trend, so that constructive ideas and actions overcame the demoralizing forces. Humans progress only as they learn to recognize and avoid the mistakes of their forebears. The American scholar or teacher worthy of the title, I believe, must share some of the sentiments and experiences of prophets in other times and places.

It is not without significance that the "modern era" dates from the centuries during which scholars and pedants in the Western world won a measure of release from support and control by emperors, princes, and other political functionaries. Nor is it mere coincidence that reactionary political trends have set in with the revival of political control over teachers, textbook writers, radio, television, and scientific research, a control that takes many forms: public schools, state universities, governmental subsidies for research, and governmental controls over the broadcasting industries.

### *Means Mistaken for Ends*

Scholars, teachers, parents, and politicians have increasingly mistaken certain useful tools and techniques – books, scientific instruments, school buildings, and class meetings – for education. They have come to believe that, given enough of these tools and techniques, education of the young must necessarily follow. Then, in the belief that the end justified any means, they have proposed and instituted increasing coercion – legal but effective – to finance the printing of books, the purchase of scientific equipment, the building of schools, and the hiring of teachers. At the same time they have resorted to increasing coercion to exclude the young from productive enterprise and to herd them into the costly buildings and classrooms by means of child labor laws, wage-hour laws, restrictions on tasks young persons may perform, and truancy laws. As a result, the young are getting more schooling but less and less education.

Moreover, if free enterprise cannot supply the services of education, why should we count on it

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

to supply adequately the services we want from our fellow men in transportation, agriculture, industry, or commerce? Scholars who mistrust the good sense and initiative of their fellow men in educating the young are likely to expect little but folly and bovine inertia from "the masses" in their other activities. They find it easy to believe, therefore, that the same legal coercion that they advocate in schooling the young is necessary to assure right conduct on the part of their elders in the production and distribution of other goods.

Scholars and pedagogues who work in intellectual and financial partnership with politicians in education and research tend to join in movements to increase political intervention in every field of human endeavor. In fact, politicians demand this political support in return for the tax subsidies paid to writers and teachers in public schools and universities. As Henry Adams said, "All State education is a sort of dynamo machine for polarizing the popular mind: for turning and holding its lines of force in the direction supposed to be most effective for State purposes."[6]

As a further result of these statist tendencies in thought and action, we find a spreading tendency among scholars in state institutions to belittle or deny the facts of individual responsibility for human action.

### *Faulty Rationale*

For this denial of mankind's powers – the powers of reason and self-direction – the statist scholars supply more than one rationale. Proponents of the Marxian rationale (materialistic determinism) reject the Freudian rationale (the libido and the subconscious) in Soviet culture even as they make use of it in their efforts to subvert and dominate thought and morality outside the borders of their own empire.

The pseudo-liberals of American politics often reject the idea of individual responsibility, it appears, merely for the purpose of arguing for the particular nostrum which their favorite politicians happen to propose at the moment. When their political leaders are campaigning for Federal aid to education, they proclaim lack of schooling to be the condition that holds the downtrodden masses in poverty and immorality. This lack they attribute, of course, to the greed or indifference of private enterprise, which has failed to supply the necessary school facilities. When the politicians make slum clearance the political issue,

[6] *The Education of Henry Adams*, Modern Library edition, p. 78.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

the statist intellectuals find lack of proper housing to be the cause of crime, poverty, ill-health, and ignorance. But always in this view, it is some "social condition" that determines individual conduct, not individual choice and action that make the social conditions.

No single idea, I believe, is more demoralizing, more discouraging to human effort, than this notion that the individual is not responsible for his acts, that he cannot be responsible for them, and that he should not, therefore, be held accountable for them. Springing from this dehumanizing satanism is the general mistrust of individual freedom to be found in the arguments for political nostrums advocated as remedies for the supposed evils or short-comings of voluntary enterprise.

### *Humans Are Responsible*

It may be that the faculty for self-control is itself "merely" an idea or complex of ideas, together with the corresponding development of the autonomic nervous system. But it can transform a life, and as it is associated with understanding of oneself and other humans, as well as of inanimate nature, it has increasing survival value for the individual and for all whom he cherishes.

The demoralizing notion of "social responsibility" and expositions of the "failures of free enterprise," however, permeate the textbooks which public schools and state universities adopt and use in economics, history, and other social studies. Therefore, the institution which seeks to inculcate understanding of private business and enthusiastic dedication to the ideals and virtues necessary for efficiency in voluntary enterprise cannot use such textbooks except as collateral reading assigned as "horrible examples" of political interference with thought and scholarship.

Yet, we must recognize that choice among nonstatist textbooks is limited and those which are available may be inadequate in various ways. What to do?

In my opinion, we should regard this lack of suitable textbooks as a challenge and an opportunity. In fact, we can recognize the inadequacy of the statist books or of the alternatives only as we become aware of the need and opportunity for something better. That recognition is itself the beginning of wisdom which must make us more effective teachers. But more than this, it should inspire us to take the lead in providing textbooks and using classroom techniques necessary to achieve the success in education which every true teacher covets. ◈

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

SUDHA R. SHENOY

# Selective "Justice"

THE ESSENCE of the argument for "social" justice is that the same rules that apply to everyone else need not be applied to one minority—the "rich." The rich, because they are rich, ought to be called upon to pay differential rates of taxation—both on income and on wealth. Where compensation for some state activity is involved, it is generally agreed that full market prices need not be paid, especially if the individuals involved are wealthier than others. In the case of strikers, it is agreed that they should not be held liable for acts against property (and persons) that in other contexts would result in stiff penalties. All this represents a very great change of attitude from, say, about fifty years ago – and it goes under the heading of the achievement of social justice.

Miss Shenoy, from Ahmedabad, India, is a B.Sc. (Econ.) student at the London School of Economics.

I wonder, though, whether these advocates of "one law for the poor and another law for the rich," realize that they are adopting, in essence, the basic principle of all totalitarian regimes everywhere? The essence of the South African argument for apartheid is an attempted justification for applying different rules to blacks and whites. In Hitler's Germany, it was agreed that since the Jews were different, it was justifiable to treat them according to rules that did not apply to the non-Jews. In the communist countries, the people singled out for differential treatment are generally termed "capitalist exploiters" or "landlords" (which is why so many Western intellectuals find it difficult, really, to condemn communism in its entirety). And in a host of new recruits to the totalitarian camp, from Ghana to Indonesia, it is an accepted principle that authority may deal with the

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

"enemies of the state" or the "enemies of the people" as they see fit and that the rules that normally apply to other people need not apply to these individuals.

But observe the inconsistency here: if Jews are subjected to different rules from those applying to the non-Jews, this is called anti-Semitism; if blacks are subjected to different rules from the whites, this is called racism; but if the groups against whom differential rules are to apply are designated as "the rich," "capitalists," "landlords," and the like — then it is no longer discrimination: it is social justice!

The essence of justice, however, as opposed to "social" pseudo justice, is that the *same* rules should apply to *all*: the wrongness of the act should be defined in terms of the act and not in terms of *who* does it. The application of the rules must be defined independently of the circumstances of those to whom the rules are intended to apply. Yet it is of the essence of the concept of "social justice" that we must know who a person is *before* we can *determine* what rules to apply to him. Before assessing tax liability or the payment of compensation, the income and wealth of the individual must be known (is he "rich" or "poor"?). If those committing crimes against person and property are strikers, they cannot be treated as others doing the same acts would be treated. The principle is the same as that of Hitler's Germany: before we know what rules apply, we must know whether the subject is a Jew or not. Or of Verwoerd's South Africa: is the man black or white? Or, indeed, of the communist countries: is the culprit one of the "proletariat" or does he belong to the "exploiting classes"?

Again, the notion of "social justice" embodies a principle which, if applied in our daily life, we would have no hesitation in terming immoral. What would a father have to say if his son came home with his friend's book, and excused his action thus, "Oh, it's all right, Dad — he can afford it!"? Yet, how many of us lend sanction to a progressive income tax or to confiscatory death duties on the grounds, "They can afford it."?

"Social justice," in short, seems to be simply a way of providing a respectable cloak for the basic principle of *in*justice. ◈

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

# GERMANS VOTE FOR ECONOMIC FREEDOM

WILLIAM HENRY CHAMBERLIN

FOR LUDWIG ERHARD, principal author of the German economic miracle, the result of the recent German national election must have been one of his finer hours. It had long been clear that his bold wager on freedom from state controls as the surest road to economic and social recovery had paid off in perhaps the most stunning national success story of the postwar period. The rotund, cigar-smoking Prime Minister, who succeeded Konrad Adenauer as Chancellor, or head of the administration, in 1962, had every right to consider the outcome of the election as a striking personal victory and a national endorsement of the economic principles with which his name will always be associated.

Prominent among these are the rule of the free market, maximum freedom in international trade relations, wider diffusion of private property, and prosperity through competition. The people of a European country of key political, economic, and military importance have shown conclusively in a free election that they know when they are well off, that they reject all forms of extremism (procommunists got about 1.3 per cent of the vote, ultranationalists about 2.6 per cent), and that they are prepared to contribute their full share to the political stability and economic prosperity of the Western world.

At first sight, to be sure, the election figures may seem to indicate little change. Erhard's party, the CDU (Christian Democratic Union), increased its percentage of the total vote from 45.5 to 47.5, falling just short of possessing

---

Mr. Chamberlin is a skilled observer and reporter of economic and political conditions at home and abroad. His recent writings include *The German Phoenix* (New York: Duell, Sloan & Pearce, 1963).

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

an absolute majority in the new Bundestag (Parliament). The Social Democrats, the principal opposition party, also increased their share of the vote, falling just short of 40 per cent. But, when one considers five appreciable political and psychological handicaps which Erhard faced in the campaign, the magnitude of his success is impressive. These may be listed as follows, not necessarily in the order of their importance.

### *Various Handicaps Faced and Overcome*

1. The CDU, alone or in combination with a much smaller moderate conservative group, the Free Democrats (FDP), has been in power for sixteen years, a much longer period than is usually required for an administration to wear out its welcome. Almost inevitably a government in power does some unpopular things and makes more opponents than supporters. Hence, the normal swing of the pendulum between two main parties in free countries.

2. On some issues, especially in foreign policy, the CDU leadership has not been speaking with a united voice. Virtually all Germans in the Federal Republic recognize their debt to America for defense against the now latent but ever-present threat of Soviet aggression. There is similar unanimity of sentiment in favor of burying forever the old hatchet with France. But when American and French ideas about the necessities of European defense are sharply divergent, as they have been during the last few years, some delicate footwork on Germany's part is required to avoid offending either country.

And this leads to differences of emphasis and priorities. Foreign Minister Schroeder, for instance, has been less sympathetic to de Gaulle, more attached to the American orientation. Some influential CDU leaders, including former Chancellor Adenauer and the Christian Social Union leader, Franz Josef Strauss, of the Bavarian wing of the CDU, have stressed the necessity for keeping on the best possible terms with General de Gaulle. To be sure, de Gaulle has made it difficult for his would-be German friends. As a shrewd German journalist remarked to me recently: "Adenauer, Strauss, and others thought de Gaulle would be another John Foster Dulles, with a harder line toward Moscow. But he is nothing of the kind."

However, such actions of the French President as his diplomatic flirtation with the Soviet Union, his abandonment in advance of the German legal claim

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

to territory east of the Oder-Neisse frontier, his refusal to give Germany any say in a possible European nuclear deterrent, his suggestion that only Germany's continental neighbors should decide the terms of a German peace settlement, have produced a disillusioning effect in Germany. Still, the hope for some form of closer West European union, with France and Germany as the nucleus, dies hard. This explains in part Adenauer's sharp attack on the negotiations in Geneva looking to a ban on proliferation of nuclear weapons. This attack somewhat embarrassed Erhard during the campaign.

There have also been differences of opinion within the CDU about the desirability of creating a so-called "big coalition" of the CDU and the Social Democrats, the type of political set-up that exists in neighboring Austria. Erhard set his face like flint against any such arrangement. The election, he insisted, offered the voters a choice between his principles and those of his socialist opponent. A hybrid coalition government would obscure the issues and damage the whole idea of representative democracy.

In summary, Erhard's political position was more vulnerable because of fissions and cleavages in the ranks of his own party.

3. This was the first German national election in which the CDU standard-bearer was not the legendary Konrad Adenauer, the leader of the new Germany, based on political and personal freedom and private enterprise, which emerged from the wreckage left by the Nazis and the crushing military defeat. Erhard's life experience had been in economics, not in politics; after three years in office as Chancellor he had to stand on his own political record. And in this record there was some fumbling and bumbling, notably in dealing with Egyptian dictator Nasser's attempts at blackmail in connection with the visit to Cairo of Walther Ulbricht, head of the Soviet puppet regime in the Soviet Zone of Germany. Adenauer, with the bluntness of age and long tenure of power, had never made any secret of his distaste for Erhard as a successor; he only acquiesced reluctantly when it became clear that no other candidate commanded an equal measure of popularity. So Erhard faced the double handicap of being the first CDU standard bearer after the invincible Adenauer and of not receiving the cordial support of his mighty predecessor.

4. Erhard was not the choice of the German intellectual community; he probably ran second in the "egghead" vote. Some leading Ger-

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

man novelists, such as Günther Gras and Heinrich Böll, went on speaking tours for his opponent, Willy Brandt. Erhard was the butt of derogatory articles and cartoons ridiculing his type of campaigning, which was to hammer in a few basic ideas and principles with a supporting foundation of facts and figures.

5. The Social Democrats put on a tremendous drive to prove their respectability, their fitness to govern, at least in a coalition. Since 1959 they had deleted from their party program the former demands for nationalization of the coal, iron, and steel industries and for comprehensive state planning of the economy. Pictures of Karl Marx and red flags vanished from their conventions. So did appeals to class struggle and class hatred. In an atmosphere of booming prosperity and full employment the old Marxist dogma had lost all sense, all relevance to reality.

They had put up as their candidate Willy Brandt, Mayor of West Berlin, who had never been a doctrinaire Marxist and who might be expected to possess some of the glamor attached to the defense of the freedom of West Berlin. And Brandt ran a very careful, cautious campaign which seemed designed to convince the German voters that the Social Democrats had evolved from a class party, committed to state control of the economy, into a progressive "people's party," almost indistinguishable from the CDU, except for the infusion of a few new ideas on internal reforms.

### *Free Market Preferred*

Given this background of handicaps for Erhard, the pre-election polls indicating a neck-and-neck race – even the Social Democratic predictions that they would emerge from the polls as the strongest party – did not seem altogether unreasonable. But, when the votes were counted, the people had decided otherwise. They preferred the tried and true champion of the free market economy to those who professed a late conversion to the idea that might have been dictated by electoral opportunism. They preferred the proved achievements of the past to promises for the future. They placed the seal of a national plebiscite on a commitment to free private enterprise which has been of inestimable benefit to the German people themselves, and to the whole free world.

The proved, observable experience of Germany since the end of the war remains the shining example to which those who believe in the creative value of economic freedom may point. It is hard to imagine less favorable circum-

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

stances than those in which Erhard, as German director of economic affairs under the occupation military government which existed in 1948, made his historic wager on freedom of economic enterprise. The German cities were in ruins. Hunger was widespread. The new currency, introduced after the increasingly worthless marks of the war and first postwar years had been removed from circulation, was a large question mark. The country was flooded with penniless refugees, Germans and people of German origin driven from their homes in the eastern provinces of Germany and from various countries in eastern and southeastern Europe.

### *Price Controls Abandoned*

The Germans had not been accustomed to a free economy for fifteen years: for one Nazi institution the occupation powers took over was a rigid system of wage and price controls, which may have been admirable on paper, but produced no consumer goods. The favored method of trade was barter, the preferred medium of currency was cigarettes.

The German authorities at that time did not possess the right to change a single fixed price or wage. But there was a loophole, of which Erhard was quick to take advantage. The cumbersome, unworkable system could be discarded as a whole. And this is what Erhard did, in July, 1948. When the American military governor, General Lucius Clay, called up Erhard to inform him that all the American economic advisers were gravely concerned by this step, Erhard replied: "So are mine." But General Clay, himself a believer in free enterprise, let the experiment stick and, after some initial difficulties, the success was beyond the most optimistic expectations.

The cities were rebuilt and bloomed again. What had been bare shop windows filled up, as if by magic, not only with necessities, but with luxury goods that served as incentives. The currency, backed by ever larger gold reserves, became probably the hardest in Europe, after the Swiss franc. The refugees, who at first seemed a cruel, almost hopeless social burden, proved a tremendous economic asset. On this point, in various trips to Germany, I found a multitude of concrete examples.

In Düsseldorf, capital of the industrial state, North Rhine-Westphalia, I met a prominent businessman, Mr. Schroeder, owner of a flourishing cosmetics factory. He had owned a similar plant in Dresden, in the Soviet Zone. Realizing that private business in the

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Soviet Zone was doomed, he packed up his business blueprints, took with him a few trained specialists, and moved to Düsseldorf. (This, of course, occurred before the Berlin Wall was built.) His new factory is returning a good profit; his plant in Dresden is declining, as he hears from some of his old workers, for lack of efficient management and technical know-how. As in countless similar cases, the loss of the Soviet Zone has been the gain of the Federal Republic.

Another example of the "brain drain" that led to the erection of the Wall was given by a German young woman whom I met in an Austrian mountain resort. She spoke excellent English and spent part of her vacation time reading American and British authors. She remarked that, of her entire high-school graduating class in a town in East Germany, all but one, who felt the obligation to care for an invalid mother, had gone to West Germany in search of more attractive opportunities. Multiply the experience of this girl and of businessman Schroeder many thousand times and one has found not the least of the reasons why the Federal Republic is a good ten or fifteen years ahead of the Soviet Zone in the pace of recovery and expansion, even though the people on the two sides of the zonal boundary are Germans, with the same language and educational standards.

### *Some Problems Remain*

It would be misleading exaggeration to represent the economic history of the Federal Republic as an unbroken series of successes. As Minister of Economics and as Chancellor, Erhard has been obliged at times to make concessions to pressure groups, to business groups, farmers, trade-unions. And the very success of the German "economic miracle," paradoxically enough, has created some unforeseen difficulties and problems.

Letting people alone to make as much money as they honestly can has proved a marvelous formula for eliminating unemployment. It is accurate to say that in West Germany today there are no unemployed, only unemployables. Not only has all the normal unemployment in West Germany been absorbed; some 12 million refugees who arrived penniless and destitute from East Germany, from the Soviet Zone, the Sudeten area of Czechoslovakia, and other foreign lands have been swallowed up in the demand for manpower of expanding industry and foreign trade. More than that, about 1.2 million foreign immigrant workers, Italians, Spaniards, Portuguese, Greeks, Turks, and others,

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

have come to Germany. And there is still a labor shortage.

Despite a tradition of hard work, Germans are only human. They are apt to slack off a little when they know that they cannot be fired or, if they are, can easily find another job around the corner. And the shortage of labor has helped to slow down the phenomenally fast growth rates of the nineteen fifties.

### *Freedom a Powerful Tonic*

But on balance, and in comparison with neighboring countries, Dr. Erhard's special brand of four-freedoms-medicine (free markets, free trade, free consumer choice, freedom of currency exchange) has been a most stimulating tonic for his countrymen. Foreign correspondents and other observers may have found a little dull Erhard's reiterated listing of statistics illustrating the enormous growth of German output and foreign trade to a point where the Federal Republic has a far bigger foreign trade than the whole of the United Germany of pre-war times and has passed Great Britain to become the second largest trading nation of the world.

But the German voters were not bored at all, because those of them who were old enough to remember the dark drab years of war and early postwar occupation could relate this account of national well-being to their own improvement in individual well-being: first motor-cycles, then cars, travel in foreign countries on an unsurpassed scale, more educational possibilities for their children. They gave Erhard a resounding vote of confidence; and this vote, in the outside world, should inspire satisfaction as a proof of German political maturity and resolution to continue on a path that has led to political stability and economic prosperity.

IDEAS ON LIBERTY

### *On Law and Freedom*

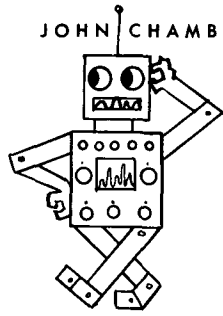
THE END of law is not to abolish or restrain, but to preserve and enlarge freedom. For in all states of created beings capable of laws, where there is no law there is no freedom. For liberty is to be free from restraint and violence from others, which cannot be where there is not law. . . .

JOHN LOCKE, *Two Treatises on Civil Government* (1690)

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

JOHN CHAMBERLAIN

# The Bogey of AUTOMATION



GEORGE TERBORGH, author of *The Automation Hysteria* (Machinery and Allied Products Institute, Washington, D.C., 1965, $6), is one of those rarest of creatures, a man of inspired common sense. It was he more than anyone else who disposed of the so-called "secular stagnationists" a generation ago by ridiculing their claims that our "mature" economy had reached its limits of growth. His book, *The Bogey of Economic Maturity,* is a classic. Now he notes that the alarmists are taking an entirely different tack: they are worried lest automation, directed by the computer, should produce a growth so uncontrolled that human beings won't be able to keep up with it.

For example, the Ad Hoc Committee on the Triple Revolution, which received the front-page blessing of the *New York Times,* fears a "cybernated system" in which "potentially unlimited output can be achieved by systems of machines which will require little cooperation from human beings . . . the men who are displaced become dependent on minimal and unrelated government measures — unemployment insurance, social security, welfare payments."

"Cybernation" is a coined word for what happens when machines take over both communication and control in automatic industries. George Terborgh does not deny that "cybernation" is here to stay. He does not deny that the computer can take over many functions of human beings and perform them at incredible speeds. But he insists that the alarmists, who see millions of jobs disappearing as a Frankenstein monster moves into our shops and banks, are guilty of blurring the time factor in a most unrealistic way. Moreover, it is a mistake to assume that more than a small percentage of industrial processes can ever be organized on a continuous flow or a mass basis.



LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Mr. Terborgh's breakdown of the nature of our economy is at the heart of his critique of the "automation hysteria." Some processes are admirably adapted to automation; the flow of liquids, the dispatch of paper work in offices and banks, the movement of cars along a Detroit production line, come immediately to mind. But Mr. Terborgh wonders how "cybernation" can really take over in agriculture. "The geographical dispersion of operations, and their seasonal character," he says, "prevent alike the concentration and continuity of work required for computer control."

### *The Limits of Automation*

Automation can do wonders to keep the railroads in business; the New York Central, for instance, can verify the whereabouts of any freight car at a moment's notice; and the loading and unloading of bulk commodities are now pretty much push-button affairs. But Mr. Terborgh notes that it will be a long time before trains, buses, ships, and aircraft move without direct human control. The construction industry can make use of factory-assembled walls, floors, and ceilings, but men must still truck the stuff to the building site and help put the elements of a house together. As for the service industries, Mr. Terborgh says that "merchandizing, restaurants, repair shops, recreation, entertainment, education, health, personal services, and what have you" will continue to present "an intractable area for computer control because of dispersion and the small size of individual operations. . . ."

Even in manufacturing there are limits to the achievement of "fully integrated, self-regulating flow production." Most companies produce "such a multiplicity of products – types, sizes, models, etc. – that they cannot effectively use mass-production layouts and techniques." Mr. Terborgh quotes John Diebold, who, with Del Harder of the Ford Motor Company, was a co-inventor of the word "automation," to show that 80 per cent of American industry "produces in lots of twenty-five or fewer individual pieces." It is a slow business, says Mr. Terborgh, to apply "systems engineering . . . with or without computers" to job shops that engage in what is essentially batch production. Since manufacturing employs only a fourth of the total labor force, and since a great part of our manufacturing technology is "discontinuous" in its very nature, the march of the Frankenstein monsters is bound to be far less precipitate than the Ad Hoc Committee on the Triple Revolution supposes.

Mr. Terborgh finds it difficult

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

to separate the automation scare from the general fears about mechanization. Practically every generation has had its Luddite Nervous Nellies. Walter Hunt, the man who anticipated Elias Howe in inventing the sewing machine, allowed his daughter to persuade him that he would only be putting good seamstresses out of work if he were to patent his secret, so he dropped it and turned to other inventions. But this did not keep automation from coming to the needle trades – and today the International Ladies Garment Workers Union and the Amalgamated Clothing Workers are powers in the land. Mechanization has always created more employment than it has destroyed, and, to the extent that it can be used, "cybernation" will hardly change things.

### *New Jobs Displace Old*

Undoubtedly the computer can be spectacular in its "job destruction" within narrow confines. But history, so Mr. Terborgh notes, has always been a "boneyard" of lost jobs. The displacement of clerks from shops and banks is hardly different from the displacement of canal boys, coachmen, electric railway motormen, gas lamplighters, silk hosiery workers, pick-and-shovel coal miners, buggy whip factory workers, and so on. The fact is that nobody knows what either product innovation or process innovation will do to affect job displacement and replacement in the future. But if history is any guide, the displaced clerk will become a motel keeper, a librarian, or a first grade teacher before too much time has passed.

If our automated "progress" is indeed to blame for our 3 to 4 per cent unemployment rate, then how does one explain some of the statistical tables that are printed in Mr. Terborgh's book? The gain in "output per man hour" in the "total private economy" of the United States picks up in recovery phases of the business cycle, but over the years it averages about the same. If anything, we were doing better in the first half of the postwar period than we have been doing recently. So mechanization, including cybernation, is taking no dramatic leaps. In Germany, the increase in output per worker in the 1952-62 period has been at 50 per cent as compared to 21 per cent for the United States. Yet Germany today has over-full employment, and the United States still has a marginal unemployment problem. If it were true that mechanization creates net unemployment, wouldn't things be the other way around in the two countries?

Mr. Terborgh addresses himself to one final fear, that cybernation

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

and automation create a need for a higher order of worker intelligence. The high school dropout, it is said, just can't keep up with what is demanded of a person in modern industries. But if it is easier to punch an adding machine than it is to add up a column of figures on paper, how can it be said that the former act takes more intelligence than the latter? It may be entirely true that the average dropout can't look forward to getting a job with a big corporation. But this is one of those "self-fulfilling" prophecies. The dropout can't get a job for one reason: nobody will hire him. This doesn't mean that he necessarily lacks the ability to work and learn on the job; it could merely mean that our large corporations are following stupid hiring practices. I would guess that the average job makes less of a demand on the brain than it did in my grandfather's time. Yet many a man in my grandfather's day rose to be the head of a corporation without even so much as a high school diploma to back him.

If we would lower the minimum wage for boys and girls in the apprentice stage of life and let up on our insistence on high school and college diplomas as a job requirement, we, too, might have a full-employment economy. And the "automation hysteria" would not need a George Terborgh to kill it. ◈

***Reprints Available of Recent Articles***

| | | |
|---|---|---|
| Let's First Mend Tommy's Trousers | W. A. Paton | 3¢ |
| Is the U.N. Really Necessary? | William H. Chamberlin | 10¢ |
| The Mobility of Labor | Dean Russell | 2¢ |
| "The Government Is All of Us" | Leonard E. Read | 2¢ |
| Forty-Eight Thousand Dollars! | Paul L. Poirot | 2¢ |
| The Individual and the State | William H. Peterson | 2¢ |
| Winner Take All | E. A. Opitz | 10¢ |
| The State | Frederic Bastiat | 10¢ |
| No Special Privilege for Anyone | Leonard E. Read | 2¢ |
| The Gold Problem | Ludwig von Mises | 3¢ |
| A Hole in the Dike | Donald L. Repp | 2¢ |
| "Every Employee Is Entitled to a Fair Wage" | C. W. Anderson | 2¢ |
| Back to Gold? | Henry Hazlitt | 10¢ |
| Can Wage and Price Controls Cure Inflation? | F. A. Harper | 10¢ |
| For the Birds? | W. M. Curtiss | 3¢ |
| "Under Public Ownership, We, the People, Own It" | Leonard E. Read | 2¢ |

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

# INDEX

## THE FREEMAN, Volume 15, January-December 1965

*Prepared by* VERNELIA A. CRAWFORD of the Foundation staff

NOTE: In page references, the number preceding the colon designates the month; the number following the colon refers to pages.

All Book Reviews are listed in a separate section on page 64 according to the title of book.


### A

American Dream, An. By C. Carson, 3:40
Anderson, C. W.
"Every Employee Is Entitled to a Fair Wage," 9:38
Anderson, Robert B.
Process of Inflation, The; quote, 5:64
Angle, Paul M.
Icarians at Nauvoo, The, 9:40
"As a Man Thinks. . . ." By V. Watts, 12:37
*Associated Industries of Missouri*
Lifetime Job Security, 1:27

### B

Back to Gold? By H. Hazlitt, 10:3
Banks, Dean
From Eden to Paradise: Choice vs. Compulsion, 2:46
Barger, Melvin D.
Freedom of Maturity, The, 4:27
More Lessons of Lost Weekends, 6:56
Bastiat, Frederic
Perpetual Revolution: quote, 11:66
State, The, translated by M. Cross, 4:10
To the Democrats, 8:58
Be Responsible. By A. Carney, 9:13
Beans. From *Insight and Outlook*, 5:51
Beyond Majority Rule. Quote from U.S. Supreme Court, Board *vs.* Barnett, 7:66
Blair, James E.
Regarding the Minimum Wage, 7:13
Board *vs.* Barnett
Beyond Majority Rule, 7:66
Braley, Berton
*Hang the Expense — It's Worth It to Me*, 5:36
Brandt, Karl
Failure of International Commodity Agreements, The, 3:12
Britain Returns to Mercantilism. By G. Winder, 2:34
Brown, Harold O. J.
Business Implications of the "New Morality," 6:20
Brown, Wendell J.
Defining Liberty: An Analysis of Its Three Elements, 7:28
Business Implications of the "New Morality." By H. Brown, 6:20

### C

Can Wage and Price Controls Cure Inflation? By F. Harper, 10:15
Capturing the Hearts of Men. By C. Carson, 11:6
Care of Souls, The. Quote by J. Locke, 2:66
Carney, Alexander S.
Be Responsible, 9:13
Carson, Clarence B.
Flight from Reality, The
(4) Cutting Loose from Reality, 1:45
(5) Utopian Vision, The, 2:20
(6) American Dream, An, 3:40
(7) Pragmatic Sanction of Flux, The, 4:40
(8) Deactivation of History, The, 5:20
(9) New Reality, The, 6:38
(10) New Creativity, The, 7:45
(11) Domestication of Socialism, The, 8:29
(12) Democratic Illusion, The, 9:23
(13) "Democratic" Elite, The, 10:44
(14) Capturing the Hearts of Men, 11:6
(15) Remaking the Minds of Men, 12:19
Carver, Thomas Nixon
Economic Competition; quote, 6:66
Causes of Violence, The. By F. Mahaffy, 11:3
Central Planning: Side Door to Slavery. By R. Thornton, 9:48
Chamberlin, William Henry
Germans Vote for Economic Freedom, 12:49
*Great Communist Schism, The*, 7:37
Groping for the Secret of Fire, 5:42
Is God a Keynesian? 2:38
Is the U.N. Really Necessary? 1:19
Moral Code for Rational Man, A, 3:9
Musical Forced Feeding, 6:11
Wisdom of Bastiat, The, 4:3
Chance to Escape, The. By D. Shorock, 6:9
Christian Economics: Myth or Reality? By B. Rogge, 12:3
Coin of Freedom, The. By D. Westerholm, 5:52
Coleson, Edward P.
Frontier Is Freedom, The, 3:54




LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Cross, Mallory
Self-Discipline: Free Choice: Responsibility, 4:56
Currency Reform. By H. Sennholz, 9:17
Curtiss, W. M.
For the Birds? 11:37
Cutting Loose from Reality. By C. Carson, 1:45

D

Danger to a Free Press. By J. Merrill, 6:52
Davenport, H. J.
Price of Pig, The; quote, 12:18
Deactivation of History, The. By C. Carson, 5:20
DeArmond, Fred
Fallacies in the Current Cult of Progress, 2:12
Defining Liberty: An Analysis of Its Three Elements. By W. Brown, 7:28
"Democratic" Elite, The. By C. Carson, 10:44
Democratic Illusion, The. By C. Carson, 9:23
Do Our Best. Quote by W. Feather, 2:16
Domestication of Socialism, The. By C. Carson, 8:29
Double Standard. Quote by L. Mason, 2:11
Durrette, Wyatt B., Jr.
Will to Be Free, The, 5:34

E

Economic Competition. Quote by T. Carver, 6:66
Effort of Every Man, The. By H. Hazlitt, 12:35
Equality and Justice. Quote by A. Jackson, 1:66
Evanoff, Alexander
Libertarian Movement and Its Propaganda, The, 9:55
"Every Employee Is Entitled to a Fair Wage," By C. Anderson, 9:38

F

Failure of International Commodity Agreements, The. By K. Brandt, 3:12
Fallacies in the Current Cult of Progress. By F. DeArmond, 2:12
"Farm Prices Are Made in Washington." By D. Paarlberg, 12:16
Feather, William
Do Our Best; quote, 2:16
First Step to Progress; quote, 9:16
First Step to Progress. Quote by W. Feather, 9:16
Flight from Reality, The. By C. Carson, 1:45, 2:20, 3:40, 4:40, 5:20, 6:38, 7:45, 8:29, 9:23, 10:44, 11:6, 12:19
Flying Socialism. By S. Husbands, Jr., 2:17
"Focus on Consumer Needs." By P. Poirot, 4:32
For the Birds? By W. Curtiss, 11:37
Force or Reason. Quote by A. Herbert, 6:64
Formation and Function of Prices, The. By H. Sennholz, 2:3
Fortier, Ed
In Tribute to an Unsung Hero, 8:11
Forty-eight Thousand Dollars! By P. Poirot, 2:44
Freedom of Maturity, The. By M. Barger, 4:27
Freedom of the Press. By D. Russell, 4:35
Freedom's Uneasy Conscience. By G. Mavrodes, 8:3
From Eden to Paradise: Choice vs. Compulsion. By D. Banks, 2:46
Frontier Is Freedom, The. By E. Coleson, 3:54
Fruits of Capitalism, The. Quote by L. Mises, 9:54
Fundamental Doctrine, A. Quote by A. Nock, 10:40

G

Gerda's Empire. By R. West, 4:55
Germans Vote for Economic Freedom. By W. Chamberlin, 12:49
Gold Problem, The. By L. Mises, 6:3
"Government Is All of Us, The." By L. Read, 2:9
Government's First Duty. Quote by Chief Justice Maxey, 4:17
Great Communist Schism, The. By W. Chamberlin, 7:37
Great Difference, The. By P. Poirot, 1:39
Greaves, Percy L., Jr.
How Much Money? 5:3
Groping for the Secret of Fire. By W. Chamberlin, 5:42
Grossly Underpaid, 7:21
Gulliver and the Planners. By H. Smith, 10:41

H

Hang the Expense—It's Worth It to Me. By B. Braley, 5:36
Harper, F. A.
Can Wage and Price Controls Cure Inflation? 10:15
Unpredictable Progress; quote, 10:66
Hazlitt, Henry
Back to Gold? 10:3
Effort of Every Man, The, 12:35
Height of Irresponsibility, The. Quote by K. Marx, 12:66

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Herbert, Auberon
Force or Reason; quote, 6:64
Hole in the Dike, A. By D. Repp, 3:27
Hoover, Herbert
Individual Mind, The; quote, 9:60
How Much Money? By P. Greaves, Jr., 5:3
How to Advance Liberty. Quote by L. Read, 5:16
Human Progress. Quote by H. Weaver, 8:66
Husbands, Sam H., Jr.
Flying Socialism, 2:17

I

Icarians at Nauvoo, The. By P. Angle, 9:40
If I Had the Power. By J. Sparks, 7:22
I'll Respect Your Life. By P. Poirot, 3:3
Impatience Undermines Freedom. By J. Sparks, 10:26
In Tribute to an Unsung Hero. By E. Fortier, 8:11
Individual and the State, The. By W. Peterson, 2:58
Individual Mind, The. Quote by H. Hoover, 9:60
Inequality — A Blessing! By R. Scott, 6:26
Inflation. By J. Keynes, 4:36
Inflation. By T. Rose, 11:23
Inflation During the French Revolution. Quote by R. Stourm, 6:60
*Insight and Outlook*
Beans, 5:51
Is God a Keynesian? By W. Chamberlin, 2:38
Is the U.N. Really Necessary? By W. Chamberlin, 1:19
Isaiah's Job. Quote by A. Nock, 5:66
It All Depends. Quote by D. Stignani, 3:66

J

Jackson, Andrew
Equality and Justice; quote, 1:66

K

Kershner, Howard
Legalized Coveting, 11:21
Keynes, John Maynard
Inflation, 4:36
Knowing That We Know Not. By L. Read, 10:11

L

Labor Drives for "Total Security." By P. Vincent, 5:17
Legalized Coveting. By H. Kershner, 11:21
Let's First Mend Tommy's Trousers. By W. Paton, 1:12
Let's Not Save the World. By E. Opitz, 1:3
Libertarian Movement and Its Propaganda, The. By A. Evanoff, 9:55
Liberating Arts, The. By E. Opitz, 10:31
Lifetime Job Security. From *Associated Industries of Missouri*, 1:27
Light Brings Forth the Eye. By L. Read, 3:34
Locke, John
Care of Souls, The; quote, 2:66
Long, Wellington
"People's Shares" in Volkswagen, 6:30

M

Mahaffy, Francis E.
Causes of Violence, The, 11:3
Man's Priceless Heritage. By M. Osterhaus, 11:28
Marx, Karl
Height of Irresponsibility, The; quote, 12:66
Mason, Lowell B.
Double Standard; quote, 2:11
Mavrodes, George I.
Freedom's Uneasy Conscience, 8:3
Maxey, Chief Justice
Government's First Duty; quote, 4:17
Merrill, John C.
Danger to a Free Press, 6:52
Mises, Ludwig von
Fruits of Capitalism, The; quote, 9:54
Gold Problem, The, 6:3
Mobility of Labor, The. By D. Russell, 1:17
Monetary Crisis. Trans. from Thiers' *History of the French Revolution*, 9:22
Moral Code for Rational Man, A. By W. Chamberlin, 3:9
More Lessons of Lost Weekends. By M. Barger, 6:56
Musical Forced Feeding. By W. Chamberlin, 6:11

N

New Creativity, The. By C. Carson, 7:45
New Liberalism, The. By H. Spencer, 11:42
New Reality, The. By C. Carson, 6:38
Newell, Robert K.
Self-Government, 8:44
No Special Privilege for Anyone. By L. Read, 4:30
Nock, Albert J.
Fundamental Doctrine, A; quote, 10:40
Isaiah's Job; quote, 5:66
Nor Oysters from the Desert Sands. By J. Sparks, 3:30

O

On Freedom and Order. By L. Read, 1:29
On Power and Corruption. By L. Read, 8:47
Opitz, Edmund A.
Let's Not Save the World, 1:3
Liberating Arts, The, 10:31
Winner Take All, 3:22

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Osterhaus, Muriel
Man's Priceless Heritage, 11:28

P

Paarlberg, Don
"Farm Prices Are Made in Washington," 12:16
Part of the Problem, A. By P. Poirot, 5:40
Paton, W. A.
Let's First Mend Tommy's Trousers, 1:12
Pearson, Glenn L.
Religion and "The Law," 4:18
People Are Not Goldfish. By D. Westerholm, 6:18
"People's Shares" in Volkswagen. By W. Long, 6:30
Perpetual Revolution. Quote by F. Bastiat, 11:66
Peterson, William H.
Individual and the State, The, 2:58
Planning Experiments in Britain. By G. Winder, 8:23
Poirot, Paul L.
"Focus on Consumer Needs," 4:32
Forty-eight Thousand Dollars! 2:44
Great Difference, The, 1:39
I'll Respect Your Life, 3:3
Part of the Problem, A, 5:40
Social Security Re-examined, 11:53
Pragmatic Sanction of Flux, The. By C. Carson, 4:40
Price of Pig, The. Quote by H. Davenport, 12:18
Private Morality. Quote by G. Washington, 4:66
Process of Inflation, The. Quote by R. Anderson, 5:64
Profits. By H. Sennholz, 8:15

R

Read, Leonard E.
"Government Is All of Us, The," 2:9
How to Advance Liberty; quote, 5:16
Knowing That We Know Not, 10:11
Light Brings Forth the Eye, 3:34
No Special Privilege for Anyone, 4:30
On Freedom and Order, 1:29
On Power and Corruption, 8:47
"Under Public Ownership, We, the People, Own It," 11:50
Water Famine on the Hudson, 9:3
Regarding the Minimum Wage. By J. Blair, 7:13
Religion and "The Law." By G. Pearson, 4:18
Remaking the Minds of Men. By C. Carson, 12:19
Repp, Donald L.
Hole in the Dike, A, 8:27
Rogge, Benjamin A.
Christian Economics: Myth or Reality? 12:3
Rose, Tom
Inflation, 11:23
Why Automation? 7:3
Russell, Dean
Freedom of the Press, 4:35
Mobility of Labor, The, 1:17
Why Social Security Must Fail, 2:55

S

Scott, Richard T.
Inequality — A Blessing! 6:26
Selective Justice. By S. Shenoy, 12:47
Self-Discipline: Free Choice: Responsibility. By M. Cross, 4:56
Self-Government. By R. Newell, 8:44
Sennholz, Hans F.
Currency Reform, 9:17
Formation and Function of Prices, The, 2:3
Profits, 8:15
TVA Reports, 5:56
Who Fixes Wages? 11:30
Shenoy, Sudha R.
Selective Justice, 12:47
Shorock, Donald Walter
Chance to Escape, The, 6:9
Smith, Harry L.
Gulliver and the Planners, 10:41
So, Be Discouraged! Quote by R. Wells, 2:64
Social Security Re-examined. By P. Poirot, 11:53
Sparks, John C.
If I Had the Power, 7:22
Impatience Undermines Freedom, 10:26
Nor Oysters from the Desert Sands, 3:30
Spencer, Herbert
New Liberalism, The, 11:42
State, The. By F. Bastiat; tr. by M. Cross, 4:10
Stignani, David A.
It All Depends; quote, 3:66
Stourm, Rene
Inflation During the French Revolution; quote, 6:60

T

Thiers, Louis
Monetary Crisis, 9:22
Thornton, Robert M.
Central Planning: Side Door to Slavery, 9:48
Threat of Competition, The. By S. Yankus, 7:11
To the Democrats. By F. Bastiat, 8:58
TVA Reports. By H. Sennholz, 5:56

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

**U**

Under a Gum Tree. By S. Yankus, 5:14
"Under Public Ownership, We, the People, Own It." By L. Read, 11:50
U. S. Supreme Court, Board *vs.* Barnett Beyond Majority Rule, 7:66
Unpredictable Progress. Quote by F. Harper, 10:66
Utopian Vision, The. By C. Carson, 2:20

**V**

Vincent, Pat
Labor Drives for "Total Security," 5:17

**W**

Washington, George
Private Morality; quote, 4:66
Water Famine on the Hudson. By L. Reed, 9:3
Watts, V. Orval
"As a Man Thinks. . . . ," 12:37
Weaver, Henry Grady
Human Progress; quote, 8:66
Webster, Daniel
*What Do They Mean? quote, 9:66*
Wells, Robert Dolling
So, Be Discouraged! quote, 2:64
West, Rebecca
Gerda's Empire, 4:55
Westerholm, D. M.
Coin of Freedom, The, 5:52
People Are Not Goldfish, 6:18
What Do They Mean? Quote by D. Webster, 9:66
Who Fixes Wages? By H. Sennholz, 11:30
Why Automation? By T. Rose, 7:3
Why Social Security Must Fail. By D. Russell, 2:55
Will to Be Free, The. By W. Durrette, Jr., 5:34
Winder, George
Britain Returns to Mercantilism, 2:34
*Planning Experiments in Britain, 8:23*
Winner Take All. By E. Opitz, 3:22
Wisdom of Bastiat, The. By W. Chamberlin, 4:3

**Y**

Yankus, Stanley
Threat of Competition, The, 7:11
*Under a Gum Tree, 5:14*

## BOOK REVIEWS

*American Colonial Mind and the Classical Tradition.* By R. Gummere. Reviewed by R. Thornton, 7:63

*The Automation Hysteria.* By G. Terborgh. Reviewed by J. Chamberlain, 12:56

*Cold Friday.* By W. Chambers. Reviewed by R. Thornton, 4:63

*Compulsory Mis-Education.* By P. Goodman. Reviewed by J. Chamberlain, 5:60

*Conquest of the United States by Spain and Other Essays, The.* By W. Sumner, ed. by M. Polner. Reviewed by J. Chamberlain, 6:61

*Essays on Liberty,* Vol. XII. By FEE. Reviewed by J. Chamberlain, 11:60

*Foundations of Morality, The.* By H. Hazlitt. Reviewed by J. Chamberlain, 1:59

*Free Market and Its Enemy, The.* By L. Read. Reviewed by J. Chamberlain, 9:61

*Great Society, The.* By G. Wallas. Reviewed by J. Chamberlain, 3:59

*If You Don't Mind My Saying So.* By J. Krutch. Reviewed by R. Thornton and E. Opitz, 7:61

*John Randolph of Roanoke; A Study in American Politics.* By R. Kirk. Reviewed by J. Chamberlain, 7:58

*Mainspring of Human Progress, The.* By H. Weaver. Reviewed by J. Chamberlain, 8:61

*Merchants Make History.* By E. Samhaber. Reviewed by R. Thornton, 10:62

*Mind and Art of Albert Jay Nock, The.* By R. Cruden. Reviewed by R. Thornton, 3:62

*Nature of the American System, The.* By R. Rushdoony. Reviewed by R. Thornton, 11:63

*Other American; Poverty in the United States, The.* By M. Harrington. Reviewed by E. Opitz, 1:62

*Rebirth of Britain.* By The Institute of Economic Affairs in Great Britain. Reviewed by J. Chamberlain, 4:60

*Reclaiming the American Dream.* By R. Cornuelle. Reviewed by J. Chamberlain, 10:59

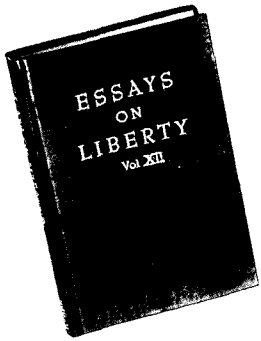
*Theological Interpretation of American History, A.* By C. Singer. Reviewed by R. Thornton, 5:63

*U. S. Economy, The.* By J. Davenport. Reviewed by J. Chamberlain, 2:61

*University Economics.* By A. Alchian and W. Allen. Reviewed by G. Wattles, 10:63

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

# ESSAYS ON LIBERTY




This latest volume of the series (448 pages, indexed) contains selected writings from THE FREEMAN and NOTES FROM FEE beginning with May 1964 through April 1965.

**Volume XII**

49 Essays — 31 Authors
Cloth, $3.00  Paper, $2.00

**The Set—all 12 volumes**

Cloth, **$28.80** per set
Paper, **$19.20** per set

## ALSO, NOW AVAILABLE:

Comprehensive cumulative subject-matter, author, and title **INDEX**—covering all 12 volumes in the ESSAYS ON LIBERTY series.
**$1.00**

THE FOUNDATION FOR ECONOMIC EDUCATION, INC.
IRVINGTON-ON-HUDSON, NEW YORK 10533

**I enclose $_____ for the following:**

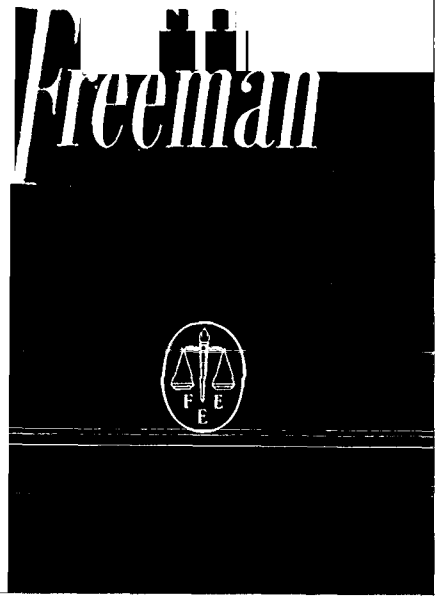
| | |
|---|---|
| **ESSAYS ON LIBERTY, Vol. XII:** | _____ **copies, cloth, @ $3.00**<br>_____ **copies, paper, @ $2.00** |
| **ESSAYS ON LIBERTY, Twelve-vol. set:** | _____ **sets, cloth, @ $28.80**<br>_____ **sets, paper, @ $19.20** |
| **INDEX, covering 12 vols.** | _____ **copies @ $1.00** |

MY NAME_____

STREET_____

CITY, STATE, ZIPCODE _____


LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED




THE FREEMAN may be forwarded anywhere in the U. S. A. No wrapper required.

From:

## The Height of Irresponsibility

■ In a higher phase of communist society, after the enslaving subordination of individuals under division of labor, and therewith also the antithesis between mental and physical labor, has vanished; after labor, from a means of life, has itself become the prime necessity of life; after the productive forces have also increased with the all-round development of the individual, and all the springs of cooperative wealth flow more abundantly — only then can the narrow horizons of bourgeois right be fully left behind and society inscribe upon its banners: from each according to his ability, to each according to his needs.

KARL MARX, Critique of the Gotha Program (1875)

To:

street

city state zip code

PLACE 5-CENT POSTAGE HERE

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED